



AGENDA
RIO DELL CITY COUNCIL
CLOSED SESSION – 5:30 P.M.
REGULAR MEETING - 6:30 P.M.
TUESDAY, AUGUST 16, 2016
CITY COUNCIL CHAMBERS
675 WILDWOOD AVENUE

***WELCOME . . .** By your presence in the City Council Chambers, you are participating in the process of representative government. Copies of this agenda, staff reports and other material available to the City Council are available at the City Clerk's office in City Hall, 675 Wildwood Avenue. Your City Government welcomes your interest and hopes you will attend and participate in Rio Dell City Council meetings often.*

In compliance with the American with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Office of the City Clerk at (707) 764-3532. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to assure accessibility to the meeting.

- A. CALL TO ORDER
- B. ROLL CALL
- C. ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:
 - 1) 2016/0816.01 - **Conference with Labor Negotiator – City Manager**
Concerning Labor Negotiations with Rio Dell Employees Association, Rio Dell Police Officers Association, and all Contract Employees (Pursuant to Gov't Code §54957.6)
- D. PUBLIC COMMENT REGARDING CLOSED SESSION
- E. RECESS INTO CLOSED SESSION
- F. RECONVENE INTO OPEN SESSION – 6:30 P.M.
- G. ORAL ANNOUNCEMENTS
- H. PLEDGE OF ALLEGIANCE
- I. CEREMONIAL MATTERS

- 1) 2016/0816.02 - Swearing in of Three (3) Newly Appointed Planning Commissioners, Mike Strahan, Arnie Kemp and Sandy Blakely

J. PUBLIC PRESENTATIONS

This time is for persons who wish to address the Council on any matter not on this agenda and over which the Council has jurisdiction. As such, a dialogue with the Council or staff is not intended. Items requiring Council action not listed on this agenda may be placed on the next regular agenda for consideration if the Council directs, unless a finding is made by at least 2/3rds of the Council that the item came up after the agenda was posted and is of an urgency nature requiring immediate action. Please limit comments to a maximum of 3 minutes.

K. CONSENT CALENDAR

The Consent Calendar adopting the printed recommended Council action will be enacted with one vote. The Mayor will first ask the staff, the public, and the Council members if there is anyone who wishes to address any matter on the Consent Calendar. The matters removed from the Consent Calendar will be considered individually in the next section, "SPECIAL CALL ITEMS".

- 1) 2016/0816.03 - Approve Minutes of the July 26, 2016 Special Meeting
(ACTION) 1
- 2) 2016/0816.04 - Approve Minutes of the August 2, 2016 Regular Meeting
(ACTION) 12
- 3) 2016/0816.05 - Approve Resolution No. 1307-2016 Authorizing the
Establishment of a Construction Checking Account
Designating Certain Persons Authorized to Perform
Necessary Duties Associated with Said Account (ACTION) 36
- 4) 2016/0816.06 - Water Revenue Update (RECEIVE & FILE) 46
- 5) 2016/0816.07 - Check Register for July 2016 (RECEIVE & FILE) 49
- 6) 2016/0816.08 - Authorize the Implementation of Annual Step Increase
for City Manager Pursuant to Section 6(B) of Contract
(ACTION) 53
- 7) 2016/0816.09 - Authorize Mayor to Sign Letter of support for AB 723(Chin)
Related to Community Development Block Grant (CDBG)
(ACTION) 54

- L. ITEMS REMOVED FROM THE CONSENT CALENDAR
- M. SPECIAL PRESENTATIONS/STUDY SESSIONS
 - 1) 2016/0816.10 - Presentation by Bartle Wells Associates – Sewer Rates for RV Parks and RV Parking Spaces/Adopt Resolution No. 1306-2016 Restating Sewer Rate Definitions for Commercial Users **(DISCUSSION/POSSIBLE ACTION)** 57
- N. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS
 - 1) 2016/0816.11 - Provide Staff Direction on Cannabis Land Use Ordinance **(DISCUSSION/POSSIBLE ACTION)** 64
- O. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS
 - 1) 2016/0816.12 - Adopt Resolution No. 1308-2016 to Amend the FY 2016-17 Operating Budget and Authorizing \$7,000 in Additional Funding to combine with \$40,000 Previously Allocated Funds, and \$20,000 of Potential USDA Grant Funds for the Purchase of Two (2) New Police Vehicles **(DISCUSSION/POSSIBLE ACTION)** 65
- P. REPORTS/STAFF COMMUNICATIONS
- Q. COUNCIL REPORTS/COMMUNICATIONS
- R. ADJOURNMENT

*The next regular City Council meeting is scheduled for
Tuesday, September 6, 2016 at 6:30 p.m.*

**RIO DELL CITY COUNCIL
SPECIAL MEETING
JULY 26, 2016
MINUTES**

A special meeting of the Rio Dell City Council was called to order at 6:30 p.m. by Mayor Wilson.

ROLL CALL: Present: Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes, Marks and Thompson

Others Present: City Manager Knopp, Finance Director Woodcox, City Clerk Dunham and City Attorney Gans

Absent: Chief of Police Hill, Community Development Director Caldwell, Roadways Superintendent Jensen and Wastewater Superintendent Trainee Yapple (excused)

PUBLIC PRESENTATIONS

None

SPECIAL MEETING MATTERS

Discussion and Possible Action Approving Resolution No. 1305-2016 (Version A, B, C, or D) Submitting to the Voters an Advisory Measure Related to Commercial Cannabis and Requesting the Humboldt County Board of Supervisors Authorize Placing the Measure on the November 8, 2016 Statewide General Election Ballot

City Manager Knopp provided a staff report and said at the July 19, 2016 regular meeting, Councilmember Garnes made a motion to call a special meeting to place an advisory measure on the ballot for the November 8, 2016 General Election pertaining to the question "Should Rio Dell allow Commercial Medical Cannabis activity within the City?" He said that it is important to note for those members of the public who are not aware that an advisory measure is completely non-binding and is used as a tool for the Council to hear from voters.

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He stated that the City Attorney drafted the appropriate language for Council's consideration including options for the actual phrasing of the question itself. Four (4) separate draft resolutions were provided; Resolution No. 1305-2016 (A, B, C, or D.). Each of the four (4) resolutions contained different ballot language as the question to be presented to the voters. The options were as follows:

- Resolution No. 1305-2016(A): Should the City of Rio Dell, by necessary and appropriate action, permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales, within the area of the City that is located to the north of the Eel River and commonly referred to as the Sawmill Annexation Area?
- Resolution No. 1305-2016(B): Should the City of Rio Dell, by necessary and appropriate action, permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales, within the City?
- Resolution No. 1305-2016(C): Should the City of Rio Dell, by necessary and appropriate action, permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales, within the City if that activity is subject to local taxation?
- Resolution No. 1305-2016(D): Should the City of Rio Dell, by necessary and appropriate action, permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales, within the area of the City that is located to the north of the Eel River and commonly referred to as the Sawmill Annexation Area if that activity is subject to local taxation?

Mayor Wilson asked for clarification that what staff is looking for is direction from the Council on whether or not they want to place an advisory measure on the ballot.

City Attorney Gans stated that in spite of the short notice, what they tried to do is provide the Council with various options of the advisory measure for

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the Council to consider and to include language with or without the taxation language included.

Mayor Wilson asked if recreational cannabis becomes legal in California in November, how that would affect this advisory measure.

City Attorney Gans pointed out that even if the electorate adopts the measure by an overwhelming majority, the City Council has direct authority to either adopt the proposed ordinance with or without modifications, or to not adopt the ordinance at all. He clarified again that the advisory measure does not bind the Council in any way and simply poses a question to the voters.

Mayor Pro Tem Johnson stated that his first choice would be for at least 4/5 of the Council to say to put the tax measure on the ballot and hold a special election. He said absent that, he would recommend the advisory measure language be as described under option D, asking if the City should permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales within the area of the City that is located to the north of the Eel River and commonly referred to as the Sawmill Annexation Area if that activity is subject to local taxation.

Councilmember Thompson said that he voted to bring this item forward and has done a great deal of reading and gave it a lot of thought but would like to have more input. He said he personally doesn't see any value in doing this and feels the Council should table this item and bring forward the tax issue, hold a special meeting on Friday and try and get a tax measure on the ballot instead, as that is something that really counts. He stated that he will not be running for re-election and although this would be his preference he is open to whatever the rest of the Council wants to do.

Councilmember Garnes stated that her first choice would also be to put the tax measure on the ballot and said the reason she made the motion to put an advisory measure on the ballot was because the Council took several straw votes and everyone seemed to be in agreement then when the official vote was taken votes would change. She pointed out that even on the Planning Commission, Commissioner Marks seconded the motion and

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voted to recommend to the Council, approval of the Cannabis Land Use Ordinance then changed her vote.

She added that if the Council decides to not move forward with the tax measure and can't come to a decision on the Land Use Ordinance and feel they still need more information, the advisory measure is good so the Council at least knows where the citizens stand on the issue. She said going over this again and again isn't something that she wants to do and if the Council can't clearly come to a consensus on the issues, they need to have help from the public by allowing them to vote. She said barring all else, the issue is too confusing with all the mixed signals being put out there.

Councilmember Marks commented that he is not confused except for the fact that he thought the agenda item was to consider submitting an advisory measure to the voters on the November ballot and not to consider a tax measure.

City Attorney Gans commented that he made a good point and said the purpose of the special meeting is in fact to consider an advisory measure but theoretically the City Council could call for a special meeting and agenize that item appropriately. Absent of that, tonight the matter before the Council is to consider the advisory measure and would require the City Manager on his own accord to call for a special meeting for consideration of a tax measure. He said the reason that the Brown Act has those restrictions is to make it clear that to call a special meeting, the notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the legislative body.

He said arguably though, these issues are so inner related it is in the ambient of what the City Council is considering. He advised that any protracted discussion about revisiting the tax measure should wait for an agenized meeting on that issue.

Mayor Wilson said he agreed with Councilmember Marks and said the purpose of the special meeting tonight is only to vote on whether to put an

advisory measure on the November ballot. He said as far as being confused he thinks the Council's direction is pretty clear.

He commented as they progressed through this process his views began to develop but he didn't hear the same information as he did in the beginning. He said his understanding was that the Council would vote on the advisory measure tonight and come back on August 16th and make modifications to the Land Use Ordinance accordingly for activities north of the river and to sort out things in the ordinance the Council was not in agreement with.

He commented that one of the things with having a special meeting, there are only six people in attendance from the public and now it's being suggested to call another special meeting on Friday night to consider a tax measure.

Mayor Wilson called for public comment on the proposed advisory measure.

Tom Bertain read a statement in opposition to the Medical Marijuana Land Use Ordinance (Included as attachment 1 to these minutes) and pointed out that the proposal that medical marijuana will raise revenue for the City by taxing it is merely smoke covering fire.

Dennis Wendt stated that he agrees with Councilmember Garnes and is never in favor of special elections as the general election provides much better representation. He said what Mr. Bertain referred to is illegal marijuana; this is related to commercial medical marijuana and that all proposed businesses will have to come before the Planning Commission, City Council or staff and go through a conditional use permit (CUP) process which includes stringent performance standards for operation of a business. He said as far a tax measure, it will generate revenue for the City and if it is done right, the taxes collected from these businesses will be substantial. He added that time is of the essence and suggested the Council hold another special meeting to consider the tax measure so it can be placed on the ballot at the November election and save the City money it would cost for a special election. He commented that the decision is ultimately up to the City Council and as far as public hearings, that's where

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citizens voice their opinion and an advisory vote only gives the Council an idea of what registered voters want or don't want.

David Bridge spoke as a member of the Emerald Triangle Action Committee and asked about the possibility of putting all four (4) options of the advisory measure on the ballot. He said that way people can differentiate if they want cannabis activities in other areas of the City. He added that the conditional use permit (CUP) process is a smart way to go because there is a lot of contention. He thanked the Council for the hard work they put into this issue.

Sharon Wolff said she believes the advisory vote came forward because the tax measure, which essentially is an advisory vote, was voted down which is a shame because it wouldn't be binding if the land use ordinance didn't pass anyway. She said not doing the tax vote seems a really good way of stalling for those that didn't want this to pass in the first place. She said if the Council takes away the vote on the November ballot that already provides for a high voter turnout, it seems to be stringing things along just enough to get past the threshold of getting anything on the November ballot. She said she personally does not want to pay for a special election, especially when it is not necessary and said if it gets to that point the Council may say that they really can't afford it. She commented that the Council can do whatever they want because it's up to them but said she personally would like to see something on the November ballot which will let the Council see the willingness of the citizens and give them an idea on how to move forward.

Julie Woodall posed her question to the City Clerk and asked if it is too late to get a tax measure on the November ballot.

City Clerk Dunham explained that it is possible but there is a tight time frame in order to get it on the August 9th agenda of the Board of Supervisors. She noted that the information would have to be to the County no later than the morning of August 3rd which is the day after the next regular City Council meeting.

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Julie Woodall said as far as the advisory measure, she prefers Option D. She said she would have liked the Council to have had everything laid out so when the people vote they have an idea on what they are voting on. She said she thinks the reason people didn't show up tonight is because they already think after the last meeting that it its going on the ballot as an advisory measure and would have a say at that point.

She commented that she would rather see a tax measure on the ballot rather than an advisory measure but would definitely like to see something on the November ballot for citizens to vote on.

There being no further public comment, the public comment period was closed.

Councilmember Garnes stated that she understands the Brown Act but asked if a motion could be made to direct staff to bring the tax measure back for consideration at a special meeting on Friday.

City Attorney Gans said there are a couple of procedural concerns he would like to address. The first has to do with making another motion to reconsider the tax measure and said the tax measure was voted down 3-2 so theoretically for further consideration a motion should be made by a councilmember who voted with the majority. He said procedurally the item should be agenized so the public knows the City Council is going to reconsider it at a special or regular meeting.

Mayor Wilson asked if a motion for reconsideration could be made at this meeting.

City Attorney Gans said it would have to be done at a meeting where the item was properly agenized. He noted that there are a couple of other procedural matters and among them is whether the Council would be in the position in essence to take action at a special meeting as early as this week or next week on a tax ordinance without going through its first or second reading. He stated with that said, sponsoring that ordinance through submission of a resolution would be appropriate so there may be Some relaxed procedures in terms of adoption. He noted that he will

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provide a more formal opinion if the item is agenized subject to action by the Council.

He commented that he is not certain the County elections will be available to assist on an expedited basis to get this tax measure on the November ballot but it is possible.

He said one other thing that bears noting and that is that he believes a tax measure has to be considered at a general election and cannot be considered at a special election.

Mayor Wilson stated that he read that provision several times and he believes it can be done at a special election.

City Attorney Gans said generally tax measures are considered at a general election to ensure adequate voter turnout.

City Attorney Gans said if the general consensus of the City Council is that they would like to have a special meeting and duly agenize an item to consider a tax measure, they can do so.

Councilmember Thompson asked if it is in order to ask for a consensus of the Council to agenize the tax measure for a special meeting perhaps on Friday.

City Manager Knopp said theoretically the Council has one other opportunity to get a measure on the November ballot and that is to put it on the next regular meeting agenda on August 2, 2016 which would require a very quick turnaround for staff to get the required information to the County to get it on the August 9, 2016 Board of Supervisor's agenda.

He said from a practical standpoint there is no sense in moving forward unless there is clearly a 4-1 vote by the Council to move forward with a tax measure.

Mayor Pro Tem Johnson asked if it is possible to continue this item to the August 2, 2016 regular meeting and add to the agenda the tax measure.

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City Attorney Gans commented that the best protocol would be to table this item tonight with the City Manager reagenizing both the advisory measure and tax measure for the August 2, 2016 regular meeting for action by the Council.

Motion was made by Thompson/Garnes to table the Advisory Measure item to the August 2, 2016 regular meeting for further discussion and direct staff to reagenize the item and also reagenize the Cannabis Tax Measure for reconsideration.

Councilmember Marks stated that now he is confused as he always thought "No" meant "No."

City Attorney Gans stated that if the item is going to be reagenized he will get a legal opinion from his office on legal protocol and provide his legal opinion to staff prior to publishing the agenda.

Discussion continued regarding legal protocol regarding the reconsideration of a motion.

City Attorney Gans explained the Council doesn't have legal power to adopt an ordinance at this point so all they could do is sponsor a resolution.

Councilmember Thompson stated that he realizes the discussion has been all over the table as new information flows in every day that some people may or may not like but pointed out that the Council is not talking about the Cannabis Land Use Ordinance; only the measure to put forth to the voters.

Motion then carried 4-1; Councilmember Marks dissenting.

ADJOURNMENT

Motion was made by Johnson/Garnes to adjourn the meeting at 7:16 p.m. to the August 2, 2016 regular meeting. Motion carried 5-0.

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Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

7-26-2016

My name is Tom Bertain and I live at 75 Fern Street

The proposal that a Medical Marijuana (cannabis) ordinance will raise revenue for the City by taxing such product is smoke covering fire.

The ordinance does not cover social, cultural, historical or heritage issues.

Pro ordinance folks are not interested in the long term benefits to Rio Dell, but seek only to extract profit from sales of marijuana and need a base for operations.

Why Rio Dell? There is available property and buildings in Trinidad, Ferndale, Blue Lake and Zenia.

Cannasuers claim that this ordinance will help lower the unemployment rates in Rio Dell. With the advance of new processing equipment fewer employees would be needed. Profit rules.

Proponents say that marijuana is not habit forming but will agree that it is mind altering. The mind altering is alarming because there is no standard or predictor available for rating such conditions. One wrong mind alteration could lead to one bad decision leading to an unfortunate incident resulting in mayhem, death or other tragic states. Who bears the responsibility?

To quote John Hardin, Lost Coast Outpost script on Monday July 25, 2016, "The illegal marijuana industry isn't as benign as we'd like to believe. It creates economic disparity and we see it on the streets of Garberville. The industry ruins many times more people that succeed at it."

Do you think that this might be a prophesy describing a future Rio Dell?

If the Council decides to approve this ordinance and revenue taxes are implemented in your wisdom and fortitude please remove our schools from any allocations. There is no need to tarnish a good institution.

Attachment 1

**RIO DELL CITY COUNCIL
REGULAR MEETING
AUGUST 2, 2016
MINUTES**

The closed session/regular meeting of the Rio Dell City Council was called to order at 6:00 pm by Mayor Wilson.

ROLL CALL: Present: (Closed Session) Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes, Marks, and Thompson, City Manager Knopp and City Attorney Gans

(Regular Meeting) Mayor Wilson, Mayor Pro Tem Johnson, Councilmembers Garnes, Marks and Thompson

Others Present: City Manager Knopp, Finance Director Woodcox, City Attorney Gans and City Clerk Dunham

Absent: Chief of Police Hill, Community Development Director Caldwell, Water/Roadways Superintendent Jensen, and Wastewater Superintendent Trainee Yapple (excused)

ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION AS FOLLOWS:

Conference with Labor Negotiator – City Manager – Concerning Labor Negotiations with Rio Dell Employees Association, Rio Dell Police Officers Association, and all Contract Employees

The Council recessed into closed session at 6:00 p.m. with the City Manager and City Attorney to discuss labor negotiations as posted.

The Council reconvened into open session at 6:30 p.m.

Mayor Wilson announced there was no reportable action taken in closed session.

PUBLIC PRESENTATIONS

PUBLIC PRESENTATIONS

Nick Angeloff announced the Chamber of Commerce will be having a hot dog stand at Wildwood Days during the dirt bike races and said the Chamber will be in the Wildwood Days parade on Saturday and is also in charge of the parade this year in case anyone is interested in entering something in the parade.

He then gave thanks to Ruth Allen for raising \$122.00 for the Scotia Gym by selling her own plants.

Cindy Rose read a statement into the record (Included as attachment 1 to these minutes) to address the Council on what she felt was inappropriate conduct of the Community Development Director towards the City Council at the last meeting and other aggressive, threatening comments made by members of the community. She also read something from a recent blog related to a potential conflict of interest with regard to the Community Development Director and Dennis Wendt.

Mayor Wilson stated that the Council doesn't normally respond to comments made during the **Public Presentation** portion of the agenda but just wanted to say that with regard to the article she was referring to in the Humboldt Consequential, it was brought to the Council's attention and staff did look into it. He pointed out that people who write this blog do not identify who they are nor can they substantiate what they say. He said their credibility is on a very small scale.

City Manager Knopp added that staff did look into this matter and as the Mayor stated the article itself was largely nothing more than a fishing expedition. He said staff found no evidence to substantiate the accusations and pointed out that it is just a blog. He also said that staff, throughout this whole process has made everything public and certainly allowing the public to speak on the subject throughout the process. He said he thinks its okay to have a dialog on the issue and a debate which is still yet to really flush out and go one way or another at this point. Either way, if the activities being considered do not happen then maybe it's not the right fit for the community but does think it has been worthwhile to take a look at this issue to see what the possibilities are for Rio Dell and move forward from there.

CONSENT CALENDAR

Mayor Wilson removed the minutes of July 19, 2016 from the consent calendar for separate discussion and asked if any councilmember or member of the public had anything they would like to remove. No other items were removed.

Motion was made by Johnson/Thompson to approve the consent calendar including authorizing the Finance Director to sign and submit the City's Annual Transportation Development Act (TDA) Claim; and authorizing the City Manager to execute a continued contract agreement with Adult Day Health & Alzheimer Services for Transportation Services for FY 2016/17. Motion carried 5-0.

ITEMS REMOVED FROM THE CONSENT CALENDAR

Approve Minutes of the July 19, 2016 Regular Meeting

Mayor Wilson noted two typographical errors on pages 14 and 15 of the minutes and said on both pages it should read "Diza Biotech" rather than "Bio-Trak."

Motion was made by Wilson/Thompson to approve the minutes of July 19, 2016 as corrected. Motion carried 5-0.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS

Approve Appointment of three (3) Planning Commissioners to Fill Current Vacancies on the Rio Dell Planning Commission

City Clerk Dunham provided a staff report and said there are currently three (3) vacancies on the Planning Commission; two (2) resulting from the recent resignations of Billie Joe Long and Alice Millington and the third vacancy is for the recently created alternate position on the Commission.

She reported that seven (7) applications were received for the three (3) positions and noted that some or perhaps all of the applicants were present tonight. She said staff's recommendation is to introduce the candidates and allow them to make a short presentation, at such time the Council can ask any questions they may have of the candidates.

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She reviewed the voting process said the Council will begin by voting for two (2) of the applicants for the regular positions then a separate voting will take place for the Alternate position.

City Clerk Dunham noted that the newly appointed commissioners will be sworn in at the next regular City Council meeting on August 16th and seated at the next regular Planning Commission meeting scheduled for August 23rd.

Mayor Wilson then invited each of the candidates to make a short presentation to the Council.

Each of the five (5) candidates present provided a brief presentation to the Council; Alonzo Bradford and Bryan Richter were not in attendance.

She then passed out ballots and asked councilmembers to vote for two of the seven candidates. The results were as follows:

- | | | |
|--------------------|---|---|
| • Mike Strahan | - | 4 |
| • Sandy Blakely | - | 2 |
| • Arnie Kemp | - | 2 |
| • Michelle Stewart | - | 2 |
| • Tiesha Mechetti | - | 0 |
| • Alonzo Bradford | - | 0 |
| • Bryan Richter | - | 0 |

A runoff vote was held for the three (3) candidates receiving two (2) votes.

The results of that vote were as follows:

- | | | |
|-------------------|---|---|
| • Arnie Kemp | - | 3 |
| • Sandy Blakely | - | 1 |
| • Michelle Stuart | - | 1 |

Mike Strahan and Arnie Kemp were then appointed to fill the two (2) vacancies on the Rio Dell Planning Commission.

Ballots were then passed out for the position of Alternate Planning Commissioner.

The results were as follows:

- Sandy Blakely - 3
- Michelle Stuart - 2

Sandy Blakely was then appointed as the Alternate to the Planning Commission.

Councilmember Thompson stated that he is sorry there aren't more positions available with this many citizens interested in serving.

Mayor Wilson said like Councilmember Thompson indicated, the Council is certainly privileged to have this many applicants come forward and encouraged the other candidates to get involved in some of the other committees in the City.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Resolution No.1303-2016 Submitting to the Voters Proposed Ordinance No. 346-2016 Adding Section 5.40 to the Rio Dell Municipal Code (RCMC) Creating a "Cannabis" Classification and Setting Maximum Tax Levels for the Categories of "Cannabis Cultivation Business" and "Other Cannabis Businesses" with a Related Request to the County Board of Supervisors to Consolidate said Election with the Statewide General Election, Further Directing the City Clerk to take any and all Action Necessary Under Law to Prepare for and Conduct the Election

City Manager Knopp provided a staff report and said this item is a bit complex procedurally. He pointed out that he was sick when the materials for the Council packet were prepared and he omitted the resolution in error however; all of the materials were presented to the Council at their July 5, 2016 meeting.

He provided a brief recap of the actions on this item to date and said the Resolution was first presented to the Council for consideration at their July 5, 2016 meeting. He said the resolution was defeated with a vote of 3-2 with Councilmembers Marks, Thompson and Mayor Wilson opposed to submitting to the voters a Cannabis Tax Measure.

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He said a special meeting of the City Council was held on July 26, 2016 to discuss placing an advisory measure on the November ballot and was tabled to this meeting on a vote of 4-1 with Councilmember Marks dissenting.

City Manager Knopp said if the Council decides to proceed and goes through the necessary hurdles the resolution would then go to the County Board of Supervisors for approval to consolidate with the general election and place the tax measure on the November ballot.

He explained the tax is set up to provide the City Council with a high level of flexibility and sets parameters to establish a tax rate within those parameters by including language to say the tax for example for cultivation is "up to" \$5.00 a square foot. He noted that he sees the County moving in that direction and said there is also a business tax of "up to" \$10.00 a square foot which could apply to any cannabis related business such as a dispensary or manufacturing facility. He said the City would ultimately use the services of a third party to levy and track the tax such as a track and trace program.

Staff reported total revenue at full buildout was estimated at \$2.7 million although wouldn't necessarily count on that amount coming but the industry could absolutely generate a significant amount of revenue for the City; at least \$100,000 the first year.

City Manager Knopp pointed out that the estimate isn't so important because essentially it's a black market industry today and the price was gauged at \$45 for 1/8 ounce which could be an accurate figure, could be over-inflated or under-inflated. He said ultimately it would not only be beneficial to the City but for people in private industry as well.

He said it is up to the City Council to make the determination whether they want to pursue this. If that is the decision, there are some procedural hurdles to cross. He said it is important to note that there are time constraints related to this item and the County had advised staff that the absolute last cutoff date for ballot materials would be 11:00 a.m. tomorrow morning. He said beyond this date, the City would miss that window and would not be able to place a tax measure on the ballot in November for voter consideration.

He then reviewed the proposed language for the tax ballot measure and pointed out that if it were to pass by the voters, the tax would not be effective unless and until the Council takes action on a Land Use Ordinance to permit cannabis businesses to operate within the City. He also noted that the ordinance does not set an initial tax rate so if approved by the voters; the Council would need to establish the rate through a future ordinance.

City Attorney Gans said related to this issue, there were a couple of procedural questions and substantive legal issues posed at the previous meeting. Among them is the current status of State law and the Council's obligation or deadline to take action. He said that has been suspended and as the Council may recall, originally when the State Medical Marijuana Regulations Safety Act (MMRSA) was passed it contained a March 1, 2016 deadline for municipalities to either regulate or ban commercial cannabis activities within their respective jurisdictions. He said failure for the municipality to act in lieu of taking no action; the State could apply regulations on that jurisdiction. He explained under AB21, that deadline has been removed and the MMRSA now provides that cities may regulate land use anytime related to cannabis provided they notify the Department of Agriculture if and when the Council takes action. He further noted that the State is not expected to issue licenses until at the earliest, late 2017; most likely January 2018.

City Attorney Gans said the second issue raised by the Council relates to a cannabis tax generally. He explained that it may only be submitted to the voters at a general election unless there are extreme circumstances and a unanimous vote by the Council to call a special election but he doesn't think that is appropriate at this juncture.

He said as to the procedural aspects the City Council spoke of, since the Council did take action on Resolution No. 1303-2016 on July 5, 2016 and rejected the ordinance by a vote of 2-3 and on general rules of procedure the Council should suspend those rules at this juncture which requires 4/5 vote to go ahead and suspend and accept reconsideration of the motion. He said assuming the Council does that they can substantively consider a motion to reconsider a cannabis tax ordinance which simply requires a majority vote as long as it is sponsored by one of the council members who originally rejected the motion (Marks, Thompson or Wilson). If the Council takes those two steps, they can

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substantively discuss and reconsider the cannabis ordinance and the resolution as whether they want to propose to place a qualifying tax measure on the November ballot.

Motion was made by Thompson/Johnson to suspend the rules to allow reconsideration of Resolution No. 1303-2016 submitting to the voters a proposed cannabis tax measure.

Mayor Wilson distributed and read a written clarification from his perspective as to why the Council is still discussing this previously defeated ordinance. (Included as attachment 2 to these minutes).

He said part of the reason for the commentary is that it was brought to the Council's attention that this issue has been delayed and stalled and what he wanted to make clear is that it is not being brought forward by councilmembers that voted totally on the original measures; it was originally and subsequently brought forth by people that voted with the minority on all issues. He commented that this Council has an obligation to do things required by law; laws they did not write and they have followed the process by law. He said in doing so, it has become clear to him that it's not just about the issues he has with this, which can be read in the minutes, it has become an issue with him that "No" means "No" on some of these issues. He said the Council spoke by a majority on two issues then there have been movements to reintroduce the ordinance or tax measure. He said he is fine with having a measure on the ballot for citizens to vote on a non-binding measure to hear what everybody thinks and that's why he voted with the 4-1 majority. That being said, if they don't have enough votes to suspend the motion, they certainly don't have enough votes to pass the tax measure.

Mayor Wilson called for public comment only on the question of whether to suspend the rules at this point.

Cindy Rose agreed that "No" means "No" and said this is ridiculous. She said she understands it's because of legalities the City Council has to follow certain rules, but it's because this continues to be brought up by certain people. She added that she knows the Council wants what's best for the City but again, No means No.....means No.....means No; so let's just be done with this.

Reverend Dennis Daisy, said he heard the Council was bringing this issue back after voting it down which is why he is here because "No" means "No."

Arnie Kemp stated that he has not attended any of the meetings on this issue but just wanted to say that two weeks ago he was at the VA hospital in Ft. Meyers and because he is in pain 24-7, his doctor suggested he try and get a prescription for medical marijuana; not to smoke it but to get the by-products. He pointed out when the government gives the VA the go ahead to give prescriptions for medical marijuana; it's something to think about allowing in the City.

Sue Strahan stated that enough is enough; there has been enough time and money spent on this issue and again, "No" is "No." She pointed out that 215 is a completely separate issue and that is not what is being talked about now.

David Bridge gave a quick perspective from the State and said some friends of his were down in the Los Angeles area and the reason the Council should continue to talk about this is because when they were down there trying to find out about businesses, what they found out was that a considerable amount of people have become legal in the Palm Springs, Los Angeles and San Diego areas and are already in that market undercutting this area. He said the reason is because there is no one online here. He noted the entire community is in some way functioning because of the cannabis industry here and realizing that, taxing it, and bringing this ordinance forth is important so that it won't be pulled out from under us in a general way.

Dale Radar thanked the Council for even talking about it at this point. He said what we're talking about is medicine and said the industry is here and we need to create legitimate businesses here.

Teisha Mechetti made the statement that cannabis is here and it's not going away. She urged the Council to not miss out on the opportunity to tax it because the City needs revenue.

There being no further public comment, the public comment period closed.

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Councilmember Thompson said as the Council went through the discussions, studied the issues and looked at all the information; there were still some things that he had issues with. He said the proposed ordinance as presented allowed outdoor cultivation in which the Council argued about meeting after meeting. He said he recently met with staff (Kevin and Karen) and spent a lot of time going over the language in the ordinance and clarifying numerous things he didn't feel read right in the ordinance. With that being done, right now, and this is why he's going to vote to suspend the rules, the ordinance clarifies there's not going to be any outdoor grows in Rio Dell including the Eel River annexation area.

He said unfortunately, there is talk that the Natural Resources (NR) area owned by Bob Mozzetti may be requested to be detached from the City thus reverting back to the County. He said if that happens, open field outdoor cultivation will be allowed from there down to the river. He said by changing his position and allowing cannabis activities to exist in that area, cultivation would be restricted to indoor greenhouses with fans and filters to control odors. He added that the thought of allowing outdoor open field cultivation in the future is not something he is not in support of.

Councilmember Garnes stated a couple of reasons why she felt the Council should take another look at this issue. She said the City is in a very precarious financial position and can't even afford \$750.00 to put a statue on statue island so to speak; can't fix roads, can't offer any kind of incentives to entice businesses in that everyone wants here; and can't afford to keep up the current level of City services when Measure U and Measure Z funds go away, pointing out that when these revenues go away, things will be really tight and there is nothing to replace them. She said what she sees happening if this opportunity goes away is that the City will have no choice but to go to the citizens with a tax measure simply in order to pay its bond payments and to be able to function as a City. She said with the recent water rate adjustment, the general fund is no longer subsidizing the water fund but what will happen is the general fund will continue to shrink because funds will be pulled from there to pay for other things then before long, there will be no more general fund reserves to pull from.

She commented that just as she has said on multiple times throughout this discussion, she doesn't know if the medical cannabis industry in Rio Dell is "the" answer and doesn't know that it's going to fix Rio Dell just like she also doesn't

know if it's going to destroy Rio Dell. She said no one knows that but anyone can look at other cities and see that they are still surviving; and not just surviving but thriving because of it. She said once Councilmember Thompson brought up the option of revisiting the tax measure, she thought the Council would seriously consider the tax measure because of these things. She said she does understand that "No" means "No" but it also means that we don't want revenue or reserves. She said there simply is no other ideas or suggestions put forth to increase revenue to an extent that there can actually be money in the general fund to help our city so she doesn't really know how to simply accept "No" means "No" because it also means that "No" I won't compromise, "No" I won't try and make anything work it simply means "No."

She pointed out that she can see where this is going and she is basically talking to hear herself talk but it is important because these are important issues and she needs to know that they have at least been stated and that everybody has actually thought about these things such as declining revenues, the needs of the City and how the City is going to go forward if there is no other revenue source.

She said she would love to see the tax measure move forward although she doesn't get the feeling that it's going to. Regardless, for 30 seconds the Council needs to step away from "No" means "No" and actually think about the train from connection to connection because in reality the Council needs to really think about this issue and not just dig their heels in because they're ticked off over what that particular issue is. She said to let it go, put it on the ballot and let the citizens decide. Also, the advisory measure would be great too but technically you're going to get the same answer whether it's a tax measure or advisory measure except one actually gives the Council the opportunity to do something for the City by collecting the tax should a Cannabis Land Use Ordinance be approved.

Mayor Pro Tem Johnson stated that Councilmember Garnes is correct in that our City is in a tough way financially and the Council and staff is aware of that. He said without Measure U, the City would be taking an additional \$160,000-\$180,000 out of reserves which is on a declining trajectory and is unsustainable. He said that Measure Z will also go away and when that happens, the City will return to that unsustainable trajectory, and the general fund, which is primarily the police department will be greatly impacted. He said what will happen is an

officer will disappear, followed by a second officer then a third. Following that, we're left with the realization that we're not a City anymore; we're a Community Services District (CSD) that provides water and sewer services; that's the trajectory the City is on. He said the Council doesn't like being in this position and what they need is help of the community to say they want to change that.

Mayor Wilson commented that this is not just about "No" means "No." He said he and other council members have put a lot of thought into this issue and if only one-half of the people in the room tonight spent even one-half the time the City Council has they might have a better understanding. He noted these meetings have been going on between the Planning Commission and City Council since December 2015 and it is documented in the minutes why he voted the way he has on both of these issues. He said those opinions haven't changed.

He went on to say that there is a great need for this City to answer some questions financially but there needs to be a consistent core of people attending meetings and not just on cannabis; they need to get involved in every way they can to find ways to change the City because it is in dire needs. He said as it was reported in the January 29th Newsletter that it could be the Golden Goose for the City; we don't store the Golden Goose. He noted that is why he stands the way he does; it is not a good fit for the City at this time.

He said on August 16th the City Council will be discussing how they want to fix the ordinance to go across the river so it's still under discussion and there's still a process the City Council needs to follow.

Mayor Pro Tem Johnson asked staff if this tax measure is voted down what would be the next available date to get it on the ballot with a general election.

City Manager Knopp responded that there are elections in March, June and November.

Mayor Pro Tem Johnson asked if those election dates require 100% majority of the Council.

City Attorney Gans stated that it takes a unanimous consent of the Council to place a tax measure on the ballot at anything other than the general election. He

said the Council could essentially place the tax measure on a special election by unanimous vote or could adopt a Cannabis Land Use Ordinance subject to passage of a tax measure at a general election. He noted that typically, tax measures are included on the general election with the concept being there is a much greater voter turnout.

Mayor Wilson called for a vote on the motion on the floor to suspend the rules to allow reconsideration of Resolution No. 1303-2016 submitting to the voters a proposed cannabis tax measure.

The motion failed 3-2; Mayor Wilson and Councilmember Marks dissenting.

Resolution No. 1305-2016 Submitting to the Voters an Advisory Measure with a Related Request to the County Board of Supervisors to Consolidate said Election with the Statewide General Election, further Directing the City Clerk to take any and all Actions Necessary Under Law to Prepare for and Conduct the Election

City Manager Knopp provided a brief staff report and stated that Councilmember Garnes at the last meeting on July 19th made a motion to call a special meeting to place an advisory measure related to cannabis on the ballot for the November 8, 2016 General Election. He said a special meeting was held on July 26, 2016 to consider the advisory measure at such time the Council made the decision to table the item to the August 2, 2016 meeting.

He said it is important to note that an advisory measure is completely non-binding but does provide an avenue for the Council to hear from the voters.

He stated that four (4) options were drafted by the City Attorney for the Council to consider related to the language of the ballot measure and option 'D' seemed to garner the most support. He said that language specifically stated that ***"Should the City of Rio Dell, by the necessary and appropriate action, permit commercial cannabis business activity, including cannabis cultivation, testing, processing and sales, within the area of the City that is located to the north of the Eel River and commonly referred to as the Sawmill Annexation Area if that activity is subject to local taxation?"***

Mayor Pro Tem Johnson stated his support of option D and said the reason being is that the Council has been talking about cannabis activities at the Eel

River Sawmill annexation area and talking about a consent vote of the people to make this subject to a local tax.

Mayor Wilson, Councilmembers Garnes, Marks and Thompson were also in support of option 'D'.

Mayor Wilson called for public comment on the proposed advisory measure.

David Bridge advocated for all four (4) options to be placed on the ballot to get a real perspective on what the community would like to see. He also commented that he made a proposal a couple of weeks ago to do some testing for pesticides around town and that the offer is still available. He said he is willing to donate those tests so the City of Rio Dell can understand how much pesticides are around plants already.

Dale Radar pointed out that no matter what the City Council does, there will be open field outdoor grows on the Dinsmore Plateau. He said social shock is not a big deal here as the industry is pretty much how people feed their families here, directly or indirectly.

Teisha Mechetti commented that she is a little unclear on the Council's decision and asked for clarification.

Mayor Wilson then read the language under option 'D'.

Teisha stated that she is in support of cultivation and said the recommended performance standards and conditional use permit (CUP) are a good idea. She said she hopes it's not too late to consider cultivation as it provides the most immediate revenue for the City. She said the City needs to start generating revenue sooner than later.

Ruth Allen addressed the Council and said her issue is with regard to water and said the State of California is in a drought, the City raised water rates and she has lost plants, scrubs and trees so cannot understand why the Council is considering moving in an industry that uses thousands of gallons of water. She also asked where that water is coming from and asked if the raise in water rates has made a difference in the general fund and where that revenue is going.

Mayor Wilson explained that across the river at the Industrial Complex, the city has dug wells which are a separate water source with the water coming from a different aquifer versus pulling water out of the Eel River. Also, part of the reason for developing those wells is to provide for potential commercial development at that location. He said that he doesn't want to be rude but the subject of water rates is off subject and the item under discussion is the Advisory Measure. He noted that she should have addressed the Council under the ***Public Presentation*** portion of the agenda.

Mayor Pro Tem Johnson suggested she contact the Finance Director who better understands the finances of the City to help explain it.

Motion was made by Johnson/Thompson to approve Resolution No. 1305-2016D Submitting to the Voters at the General Election on November 8, 2016, an Advisory Ballot Measure to allow the voters to indicate their approval or disapproval of permitting commercial cannabis activity within the City; requesting the Board of Supervisors of Humboldt County to consolidate said Election with the Statewide General Election; and directing the City Clerk to take any and all actions necessary under law to prepare for and conduct the election. Motion carried 4-1; Councilmember Marks dissenting.

City Attorney Gans left at this time, 7:53 p.m.

REPORTS/STAFF COMMUNICATIONS

City Manager Knopp provided a written staff report (Included as attachment 3 to these minutes) and provided a recap of recent activities and events. He reminded Council that representatives from Bartle Wells will be attending the August 16, 2016 meeting to answer questions on the sewer rates and asked Councilmembers to provide any questions they may have to staff in advance so that Bartle Wells is prepared to answer those questions.

Mayor Pro Tem Johnson requested staff have data that either substantiates or does not substantiate the information provided by Jim Rutherford at the last meeting related to sewer rates for RV spaces in mobile home parks.

Finance Director Woodcox stated that Bartle Wells will gather that information and have it available at the meeting.

Mayor Wilson referred to the EV charging station and asked if the City would be receiving a printout of activity.

City Manager Knopp responded that he was not sure but would make an inquiry to Redwood Coast Energy Authority and report back.

Finance Director Woodcox reported on recent activities and events in the finance department and commented on the upcoming presentation by Bartle Wells at the next meeting stating that she will provide financial information and Bartle Wells will provide expert information on Rio Dell's rates and answer questions the Council may have related to Sewer Rate Studies. She said as the Council is aware, Bartle Wells did not do the Water Rate Study so they mainly will be answering questions on sewer rates. She said she will provide financial data as far as where sewer revenue is compared to the projected amount in the previous Sewer Rate Study of \$1.167 million.

Mayor Wilson stated that he would like clarification on the citywide 5 unit average billed to accounts for sewer when the water is turned off. He said he believes those accounts should only be billed the base rate.

Finance Director Woodcox commented that when the new sewer rates were first implemented it was a challenge getting the current software to work correctly as well as working out the bugs to treat these situations in the same manner across the board.

COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Johnson commended the public works crew on the installation of the Jim Stretch plaque and also for the cleanup at the end of Edwards Dr. which they did a couple of weeks ago.

Mayor Wilson asked for clarification whether staff would be coming back at the next meeting for direction from the Council on how to proceed with regard to the Cannabis Land Use Ordinance.

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City Manager Knopp commented that as he recalls, the direction to staff was to keep the discussion open so he believes the intent is to get direction from the Council as to how they want to proceed; not necessarily getting into the fundamental details of the ordinance.

ADJOURNMENT

Motion was made by Johnson/Garnes to adjourn the meeting at 8:12 p.m. to the August 16, 2016 regular meeting. Motion carried 5-0.

Frank Wilson, Mayor

Attest:

Karen Dunham, City Clerk

August 2, 2016

Cindy Rose

Mayor and Council Members,

I would like to address the conduct of Rio Dell Community Development Director Kevin Caldwell's behavior towards the council in general, and to Councilman Thompson, in particular, at the last council meeting. It was condescending and appalling. I was also appalled at the bullying of the council and city by Dennis Wendt. The letters presented by Mr. Caldwell on the behalf of other property owners of the former Eel River Sawmill site were equally aggressive. Threatening lawsuits at the mere discussion of a proposal demonstrates a quality that I find less than admirable. I may not have a lot of money to spend in this county, as these business people and landowners do, but I know I will not be spending any of it supporting anything they are remotely connected to.

I am also extremely concerned about the accusation that Mr. Caldwell and Mr. Wendt have a business relationship outside of the scope of Rio Dell City government. I would like to read something someone passed along to me that was recently posted on a local blog, Humboldt Consequential. If this is true, and I have no idea if it is, that is an enormous conflict of interest considering they seem to be pushing for the same marijuana ordinances and businesses to be brought to Rio Dell. I am new to how city government works, but I am intelligent enough to know if you are pushing city employees and the Planning Commission to develop marijuana-friendly businesses and ordinances, you better not also be working for someone who is going to benefit hugely in a financial way from those actions.

Our story is set in the sleepy, sunny little Hamlet of Rio Dell where pretty much nothing exciting happens. Like, ever. (Unless you count the delicious pizza pies they whip up at the Pizza Factory – we can't get enough of them.)

Eager to capitalize on the burgeoning potential of marijuana related entrepreneurship in Humboldt County, Rio Dell has wisely moved to get some sort of policy governing cultivation, manufacturing, and laboratory testing of marijuana products.

Now, enter Dennis Wendt – of Dennis Wendt Construction – with a plan to develop a mega hash lab in Rio Dell that would fall under the City's marijuana ordinances. THC assumes that Wendt's proposal is a little more sophisticated – and less dangerous – than the butane hash labs blowing up all over the County. Such a project must eventually go before the Rio Dell Planning Commission – but first they have to develop the guidelines to govern such an endeavor.

Now, Wendt apparently hasn't made himself overly popular these days (search "Wendt" on Humboldt County Craigslist's "rants and raves" section – we dare you!), but THC doesn't know of the reasons behind that. What we do know about is the potentially inappropriate relationship he has with Rio Dell's Community Development Director, Kevin Caldwell.

It's THC's understanding that Caldwell lobbied, and lobbied *hard*, for the City of Rio Dell to allow the type of projects that Dennis Wendt envisions. As the Community Development Director, THC believes it's not necessarily his place to push for things in that manner.

But the part of this tale that really stinks is that we're led to believe that Caldwell also moonlights as a consultant for Dennis Wendt's business outside of his job as Community Development Director. Last we checked on the scale of conflict of

interest, that is a super big no-no. (Of course, there seems to be a lot of that in Humboldt County recently.)

Now, we've done our best to corroborate the claims against Wendt and Caldwell's collusion, but the record-keeping for the Rio Dell Planning Commission is, uh, lacking. Lacking as in non-existent prior to February of 2016, as evidenced by [AccessHumboldt's video archive](#). The two recent Rio Dell Planning Commission meetings which focus on pot are available – but only one has working audio, and THC is told that the questionable lobbying tactics employed by Caldwell took place some time in January. (Our guess is the January 14th P.C. meeting.)

If true, this is a troubling situation for a number of reasons, but most importantly because there's just no way in hell it's okay for Caldwell and Wendt to be working together on a project that Caldwell has a significant role in getting approved.

So, we put it to you, good readers of THC, to tell us anything you may know about the situation. And be assured that we'll keep a closer eye on ol' Rio Dell in the future.

Clarifications on why the City Council is still discussing the previously defeated ordinances

STRICTLY from the PERSPECTIVE of MAYOR WILSON

1. June 21st
 - a. Final reading of the "Land Use Ordinance" with a vote of 3 to 2 defeating it.
2. July 5th
 - a. Final reading of the "Tax Measure" with a vote of 3 to 2 defeating it.
 - b. Councilmember Johnson (voting in the minority June 21st) asked for an agenda item for the July 19th meeting to revisit the "Land Use Ordinance" with consideration to having all activities on the North side of the river at the old Eel River Sawmill site.
 - i. There was a 3 to 2 consensus in favor of that request, Johnson, Garnes, & Thompson.
3. July 19th
 - a. The agenda item that was presented was not consistent with the requested agenda item and with clarification from the City Attorney required a "Motion to Reconsider" instead of a consensus. After considerable discussion a motion was made by councilmember Thompson to be placed on the August 16th agenda an item to allow the Council to give direction to staff on how to proceed with amending the ordinance to have all activities confined to the IC zone at the Old Eel River Sawmill site.
 - b. Motion carried 4 to 1
 - c. Councilmember Garnes made a motion to have a non-binding advisory measure placed on the November 8th to allow the electorate of Rio Dell to voice their opinion whether or not to have Commercial Medical Cannabis activities in Rio Dell.
 - i. Motion carried 4 to 1
 - d. A Special meeting for July 26th was scheduled to allow the Council to choose the actual wording that would be placed on the ballot.
 - e. Staff was to return to the Council with options drafted by the City Attorney at the July 26th meeting
4. July 26
 - a. The only topic on the agenda for the meeting was the selection of the wording for the Advisory ballot. There were 4 options presented to the Council by Staff and the City Attorney.

- b. During Council discussion the topic of returning the former "Tax Measure" to the November ballot was brought up First by Councilmember Johnson, as well Councilmembers Thompson & Garnes.
- c. Since there could be NO discussion of an item not on the agenda it was suggested by the City Attorney that the "Advisory Measure" could be tabled and a motion made by a councilmember that voted in the majority on July 5th to have a special meeting with the "Motion to Reconsider" on the agenda.
- d. It was discussed to have a special meeting with the minimum 24 hour notice requirement posted and have the meeting on Friday the 29th of July.
- e. The question was raised by Mayor Wilson on the legal issue that an ordinance had to be approved at a regular meeting vs. a special meeting.
- f. A motion was made by Councilmember Thompson to table the Advisory Measure until the August 2nd regular meeting and also have the "Motion to Reconsider" the "Tax Measure" place on that agenda.

5. August 2nd

- a. That brings the Council to the items on the agenda tonight.

Respectfully,

Frank Wilson

Mayor

CalRecycle held a surprise inspection of the City's Corporation Yard on Tuesday July 12th. The inspection covered how the City handles tire waste. It is anticipated that the city passed the inspection.

There has been a recent increase in graffiti activity in town. Residents are encouraged to report this activity immediately. Staff has been dispatched to remove graffiti from public spaces, recently including Northern Wildwood welcome sign.

The City's lawnmower has been returned after a longer than usual repair job. PW staff have spent much of the past week catching up on lawn maintenance.

The July 5th deadline for the repair of the sidewalk at the Humboldt Habitat for Humanity Parcel has expired. Staff is being advised by GHD on the next steps to abate the issue and will return to the Council before taking any action.

Dump site on Monument: Approximately 300 yards from city limits, an extensive dump site continues to be utilized by area residents. Staff is working with the County and HWMA to help prioritize this as an area to be addressed, possibly using Measure Z funds recently allocated by the Board of Supervisors.

High Rock crew has been out doing work for the city again at the Metropolitan irrigation field, corporation yard, Edwards Drive, northern Northwestern Avenue, Old Ranch Road and they also assisted with the installation of the chamber signs.

With the City's switch over to the Keenan PACE health system, staff is gearing up for the first wellness initiative of the year. Employees can earn up to \$500.00 for completing 12 health actions approved by Keenan. Activities include health screenings, vaccinations and other healthy activities/incentives to receive the reward.

Chamber signs, Jim Stretch Plaque and LED Sign are all planned to be up and running before the end of the week.

The first Planning Commission meeting since April is scheduled for August 23rd.

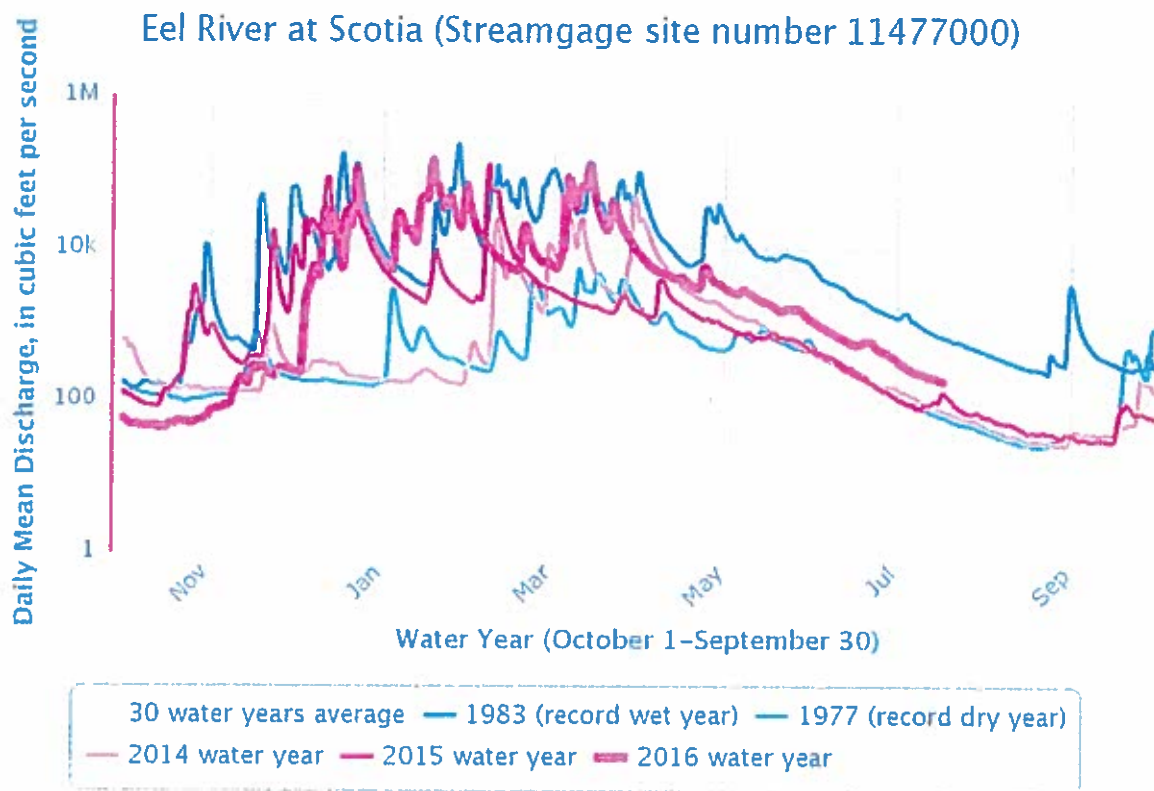
The Police Department recently held its annual vaccination clinic, which also resulted in the licensing of 60 dogs in the City of Rio Dell.

Representatives from Bartle Wells will be attending the August 16, 2016 Council meeting to answer questions on the sewer rates, during the meeting requested by the Council. To make the most of this time, please provide your questions in advance to staff so that Bartle Wells has an opportunity to answer your questions.

Staff has recently submitted both the CDBG annual report and Measure Z Report for the 4th Quarter of FY15-16.

The City has signed an agreement with RCEA to install the EV charging station signs around town and will be reimbursed by RCEA. The signs will be up before the end of September.

Staff is working to schedule an E-Waste event for September of this year.



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**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
August 16, 2016**

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager *[Signature]*
FROM: Brooke Woodcox, Finance Director *[Signature]*
DATE: August 16, 2016
SUBJECT: Authorizing the establishment of a construction checking account designating certain persons authorized to perform necessary duties associated with said account

RECOMMENDED COUNCIL ACTION

Adopt Resolution 1307-2016 authorizing the City Manager to open a U.S. Bank checking account for the receipt and transfer of grant funds related to construction of the Metropolitan Well Project.

SUMMARY

The City has signed an agreement with United States Department of Agriculture (USDA) Rural Development Emergency and Imminent Community Water Assistance Grant (ECWAG) for funding of \$373,200 for the Metropolitan Well Project. The ECWAG Letter of Conditions requires that the City of Rio Dell establish a separate construction banking account for all grant deposit of funds from ECWAG. Transactions in this account are limited to deposits from USDA ECWAG and transfers from said account to the City of Rio Dell's general checking for reimbursement of expenditures related to construction.

BUDGETARY IMPACT

None

ATTACHMENTS

- A) Resolution 1307-2016 Authorizing Establishment of Construction Checking Account
- B) ECWAG Letter Conditions



RESOLUTION NO. 1307-2016
A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL
AUTHORIZING THE ESTABLISHMENT OF A CONSTRUCTION
CHECKING ACCOUNT DESIGNATING CERTAIN PERSONS
AUTHORIZED TO PERFORM NECESSARY DUTIES
ASSOCIATED HEREIN

WHEREAS, the City of Rio Dell did enter into an agreement with United States Department of Agriculture (USDA) for Emergency and Imminent Community Water Assistance Grant (ECWAG) funding; and

WHEREAS, USDA ECWAG has submitted a Letter of Conditions requiring establishment of a separate banking account with an acceptable financial institution that meets the requirements of 31 CFR Part 202 for deposit of funds; and

WHEREAS, US Bank is hereby selected and designated as a depository of funds of this body, and that a checking account be established for ECWAG funds and maintained by and in the name of the City of Rio Dell, upon and subject to such terms and conditions as the officers hereinafter designate; and

THEREFORE, BE IT RESOLVED, all checks, drafts and other instruments for the payment from said account or at said office be signed on behalf of this body by two authorized signers as listed:

ACCOUNT SIGNERS:

- Dunham, Karen
- Hill, Graham
- Johnson, Gordon
- Knopp, Kyle
- Thompson, Jack
- Wilson, Frank

THEREFORE, BE IT FURTHER RESOLVED, the Finance Director is listed as a representative of the City with authorization to make deposit and withdrawal transfers between the following authorized accounts:

US BANK

- 2012 Checking Account: 153495880525
- Payroll Checking Account: 153400925571
- CDBG Program Income Account: 1583499269758
- Construction Account: 157513125169

THEREFORE, BE IT FURTHER RESOLVED, that this account should be designated as the CITY OF RIO DELL CONSTRUCTION ACCOUNT ; and

THEREFORE, BE IT RESOLVED, that the Clerk of this body is hereby authorized and directed to certify to said financial institution that these resolutions have been duly adopted and are in conformity with the by-laws of the body, and to further certify to said bank certification of names and specimen signatures of the present officers of the body authorized to sign as aforesaid, and, if and when any change be made in the personnel of said officers, the fact of such change and the name and specimen signature of each new officer; and

NOW THEREFORE, BE IT RESOLVED, that said financial institution is hereby requested and authorized to honor, receive, certify, or pay any such instrument signed or endorsed in accordance with the foregoing resolutions and the certification then in effect as above provided for, including any such instrument drawn or endorsed to the personal order of, or presented for negotiation or encashment by any officer signing or endorsing the same; and

BE IT FURTHER RESOLVED, that these resolutions and each such certification shall remain in full force and effect, and said agency is authorized and requested to rely and act thereon, until it shall receive at its office to which the certified copy of these resolutions is delivered, either a certified copy of a further resolution of the Council amending or rescinding these resolutions or a further certification as above provided for, as the case may be.

I HEREBY CERTIFY that the foregoing Resolution was duly introduced, passed and adopted at a regular meeting of the City Council of the City of Rio Dell, held on the 16th day of August 2016 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk



Rural Development

Santa Rosa Area
Office

777 Sonoma Ave
Santa Rosa, CA
95404

Voice 707.526.6797
Fax 707.526.8942
TDD 530.792.5848

August 19 2015

ECWAG Letter of Conditions

Mr. Kyle Knopp, City Manager
The City of Rio Dell
675 Wildwood Drive
Rio Dell, CA 95562

SUBJECT: Application for the USDA Rural Development Emergency and
Imminent Community Water Assistance Grant - \$373,200

Dear Mr. Knopp:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application for a Section 306A Emergency and Imminent Community Water Assistance Grant (ECWAG).

The grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant, must be reported to an approved by USDA, Rural Development, by written amendment to this letter. If significant changes are made without obtaining such approval, Rural Development may discontinue processing of the application.

This letter does not constitute grant approval, nor does it ensure that funds are or will be available for the project. The grant will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds", is mailed to you.

Please complete and return the following forms if you agree to meet these conditions and desire that further consideration be given to your application:

Form RD 1940-1, "Request for Obligation of Funds,"
Form RD 1942-46, "Letter of Intent to Meet Conditions,"

Extra copies of this letter are being provided for use by your engineer, attorney, and accountant.

The conditions referred to above are as follows:

USDA is an equal opportunity provider and employer.

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

1. **Project Budget** – Funding from all sources has been budgeted for the estimated expenditures as follows:

<u>Project Costs:</u>	<u>Total Budgeted:</u>
Administrative Costs	\$38,500
Facilities Planning	\$25,000
Construction	\$800,000
Design	\$82,000
Construction Administrative Costs	\$107,700
<u>Contingency</u>	<u>\$160,000</u>
TOTAL	\$1,213,200

The applicant will ensure grant activities are implemented in a timely, efficient, and economical manner. Grant funds not expended within two years of obligation will be cancelled. Your funding needs will be reassessed if there is a significant reduction in project costs after bids are received. Obligated grant funds not needed to complete the proposed project will be deobligated. An "Amended Letter of Conditions" will be issued for any revised project budget.

2. **Project Funds** - Project funding is planned from the following sources:

<u>Project Funding Source</u>	<u>Funding Amount:</u>
Applicant Contribution	\$57,000
Insurance Proceeds	\$0
USDA RUS Grant	\$373,200
State of California Funds	\$783,000
Total Project Funding (All Sources):	\$1,213,200

Any changes in funding sources following obligation of RUS funds must be reported to the processing official. Prior to advertisement for construction bids, you must provide evidence of applicant contributions and approval of other funding sources. This evidence should include a copy of the commitment letter. Any claims paid from an insurance company, FEMA or other agency, may reduce the need for the grant and require a revised project funding budget by means of an amended letter of conditions. Awards of insurance proceeds after grant approval may also reduce the need for the grant.

3. **Disbursement of Funds**

Any applicant contributions and insurance proceeds shall be considered as the first funds expended. An agreement should be reached with all other funding sources on how funds are to be disbursed before the start of construction.

You must establish a separate construction account, with an acceptable financial institution or depository that meets the requirements of 31 CFR Part 202. All project funds will be deposited into this account. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the constructions account at any one time. Additional guidance on collateral acceptability and valuation are available at Treasury's Bureau of the public debt website at www.publicdebt.treas.gov.

Any Agency grant funds not disbursed immediately upon receipt must be deposited in an interest bearing account except as follows:

- a. Federal grant awards (includes all federal funding sources) are less than \$120,000 per year.
- b. The best available interest bearing account would not be expected to earn in excess of the following:

Non-Profits

Interest earned on grant funds in excess of \$250 per year will be remitted to the Agency annually as required in 7CFR3019.

Public Bodies

Interest earned on grant funds in excess of \$100 per year will be submitted to the Agency at least quarterly as required in 7CFR3016.

- c. The depository would require a minimum balance so high that it would not be feasible.
4. **Security** – Security requirements are contained in RUS Bulletin 1780-12, "Water or Waste System Grant Agreement." We will provide you with this document at grant closing.
 5. **Insurance and Bonding Requirements** - Prior to grant closing or start of construction, whichever occurs first, you must acquire the types of insurance in bond coverage shown below. The use of deductibles may be allowed providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.
 - a. **General Liability Insurance** – Include vehicular coverage.
 - b. **Workers' Compensation** - In accordance with appropriate State laws.
 - c. **Position Fidelity Bond(s)** - All positions occupied by persons entrusted with the receipt and/or disbursement of funds must be bonded. You should have each position bonded in

an amount equal to the maximum amount of funds to be under the control of that position at any one time. The coverage may be increased during construction of this project based on the anticipated monthly advances. The minimum coverage acceptable to the Agency will be for each position to be bonded for an amount at least equal to one annual installment on your Agency loan(s). The amount of coverage should be discussed and approved by the Agency. Form RD 440-24, "Position Fidelity Bond" may be used for this purpose.

- d. National Flood Insurance - If the project involves acquisition or construction in designated special flood or mudslide prone areas, you must purchase a flood insurance policy at the time of grant closing.
 - e. Real Property Insurance - Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured and subsurface lift stations except for the value of electrical and pumping equipment. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.
6. Accounting Services - You may be required to obtain the services of an independent licensed Certified Public Accountant (CPA). When permitted by state statutes or with the approval of the Agency, a state or Federal auditor may perform the audit in lieu of a CPA.

Audit Agreement - You may enter into a written audit agreement with the auditor and submit a copy to the Agency prior to advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit or financial statements to be completed, the time frame in which the audit or financial statements will be completed, what type of reports will be generated from the services provided and how irregularities will be reported.

Audit Requirements - The following management data will be required from you on an annual basis and be submitted to the Agency as specified below:

- a. A borrower that expends \$500,000 or more in federal financial assistance per fiscal year shall submit an audit performed in accordance with the requirements of OMB Circular A-133. As described above, the total federal funds expended from all sources shall be used to determine federal financial assistance expended. Projects financed with interim financing are considered federal expenditures.
- b. A borrower that expends less than \$500,000 in Federal financial assistance per fiscal year and an outstanding Agency loan balance of \$1,000,000 or more shall submit an audit performed in accordance with Generally Accepted Government Auditing Standards, (GAGAS).
- c. A borrower that expends less than \$500,000 in Federal financial assistance per fiscal year and has an outstanding Agency loan balance of less than \$1,000,000 may submit a

management report, which includes at a minimum a Balance Sheet and an Income and Expense Statement.

7. **Legal Services** – You will be required to obtain a “Legal Services Agreement.” This agreement will address the fees necessary for the services outlined in this agreement. At closing the owner’s attorney will certify that the executed contract documents, including performance and payment bonds on contracts over \$100,000 are adequate and that the persons executing these documents have been properly authorized to do so in accordance with RUS Instruction 1780.61(b).
8. **Property Rights** - Prior to advertisement for construction bids, you must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights-of-ways needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation and Real Property Acquisition Act. Such evidence of control over the lands and rights must be in the following form:

Right-of-Ways - A right-of-way map will be required showing clearly the location of all lands and right-of-ways needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof. A certification and legal opinion relative to title to right-of-ways and easements is required. Form RD 442-22, “Opinion of Counsel Relative to Rights-of-Way”, and Form RD 442-21, “Right-of-Way Certificate” may be used. These forms may contain a few exceptions such as properties that must be condemned; however, prior to the start of construction or grant closing, whichever occurs first, new forms must be provided which do not provide for any exceptions.
9. **Engineering Services** – The Agency must approve any agreements and modifications to agreements for professional engineering services. The agreement for engineering services should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, “Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance” or other approved form of agreement.
10. **Resident Inspector(s)** – Full-time inspection is required unless a written exception is made by the Agency upon your written request. This service is to be provided by the consulting engineer or other arrangements as approved by the Agency. Prior to the pre-construction conference, a resume of qualifications of the resident inspector(s) will be submitted to the owner and Agency for review and approval. The owner will provide a letter of acceptance for all proposed observers to the engineer and Agency. The resident inspector(s) must attend the pre-construction conference.
11. **Environmental Requirements** -
 - a. **Mitigation** - At the conclusion of the proposal’s environmental review process, specific actions were determined necessary to avoid or minimize adverse environmental impacts: *No mitigation measures were identified.*

- b. Project Modifications – The project as proposed has been evaluated to be consistent with all applicable environmental requirements. If the project or any project element deviates from or is modified from the original approved project, additional environmental review may be required.
12. Permits – The owner, contractor or responsible party will be required to obtain all required permits for the project prior to advertisement for construction bids. A narrative opinion from your attorney concerning all permits, certificates, licenses and other items necessary to show that all legal requirements can be met and stating how they will be met.
13. Contract Documents, Final Plans and Specifications -
 - a. The contract documents should consist of the EJCDC Construction Contract Documents as indicated in RUS Bulletin 1780-26 or other approved form of agreement.
 - b. The contract documents, final plans, and specifications must comply with RUS Instruction 1780, Subpart C – Planning, Designing, Bidding, Contracting, Construction and Inspections and be submitted to the Agency for approval prior to advertisement for bids.
 - c. The use of any procurement method other than competitive bidding must be requested in writing and approved by the Agency.
 - d. The Agency requires a pre-construction conference, pre-final, final, and warranty inspection.
 - e. The Agency requires prior agency concurrence with all Change Orders, Invoices, and Payment Estimates.
14. Applicable State Statutes and Requirements

The applicant is required to comply with all applicable State statutes and requirements.
15. Bid Authorization - Once all the conditions outlined in this letter have been met, the Agency may authorize you to advertise the project for construction bids. Such advertisement must be in accordance with appropriate State statutes. Immediately after bid opening you must provide the Agency with (a) bid tabulation, and (b) your engineer's evaluation of bids and (c) your recommendations for contract awards. If the Agency agrees that the construction bids received are acceptable, adequate funds are available to cover the total project costs, and all the administrative conditions of grant approval have been satisfied, grant closing instructions will be issued to you setting forth any further requirements that must be met before a Notice of Award may be issued.
16. Cost Overruns – Cost overruns exceeding 20% of the development cost at time of grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date. Cost overruns must be due to high bids or

unexpected construction problems that cannot be reduced by negotiations, redesign, use of bid alternatives, rebidding or other means prior to consideration by the Agency for subsequent funding. Such requests will be contingent on the availability of funds.

17. **Use of Remaining Funds** – Applicant contributions will be the first funds expended in the project. Remaining funds may be considered in direct proportion to the amounts obtained from each source and handled as follows:

- Remaining funds may be used for eligible grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the grant remains the same.
- Grant funds not expended for authorized purposes will be cancelled within 30 days of project completion. Prior to actual cancellation, you and your attorney and engineer will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.

The attachments listed below are attached to your copy of this letter as noted. Enclosed are the following:

- RUS Bulletin 1780-12 Exhibit B, "ECWAG Grant Agreement"
- Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way"
- Form RD 442-21, "Right-of-Way Certificate"

We look forward to continue working with you to complete this project and if you have any questions please do not hesitate to contact me at (707) 526-6797 x 105 or by e-mail at quinn.donovan@ca.usda.gov.

Sincerely yours,

QUINN
DONOVAN

Digitally signed by QUINN DONOVAN
DN: c=US, o=US Government,
ou=Department of Agriculture, cn=QUINN
DONOVAN,
0.9.2342.19200300 100 1 1=12001000121118
Date: 2015.08.19 10:53:51 -0700

Quinn Donovan
Community Programs Specialist
USDA, Rural Development

Attachments

cc: Anita Lopez, Community Programs Director, USDA Rural Development, Davis, CA
Rebecca Crow, Engineer, GHD, Eureka, CA

675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
(707) 764-5480 (fax)
E-mail: cm@riodellcity.com



**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
August 16, 2016**

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager *3*
FROM: Brooke Woodcox, Finance Director *BW*
DATE: August 16, 2016
SUBJECT: Water Revenue Update

RECOMMENDED COUNCIL ACTION

1. Receive staff's report on water revenue update
2. Discussion and Public comment regarding water revenues

SUMMARY

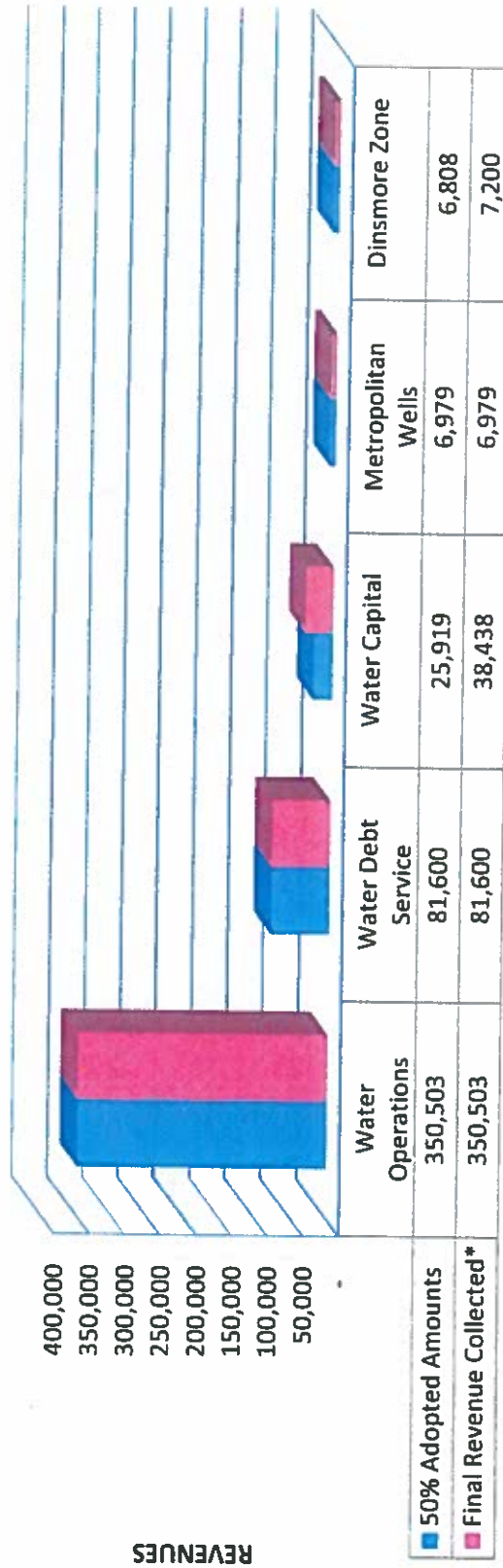
In January 2016 the new water rate structure was implemented. The information being presented is an update on water revenues actually collected versus revenues estimated in the water rate study. These two amounts show that revenue collections are within close range of the amounts adopted December 1, 2015, with the caveat that consumption has increased in comparison to consumption that the water rate study was based. Consumption information is provided in order to put into context actual amounts collected versus estimated study amounts.

ATTACHMENTS

- a) Chart – Actual revenues collected during the first six months since implementation of new rate structure *versus* revenues estimated in the water study
- b) Chart – Water consumption that the study was based (2014/15) compared to actual consumption (2015/16)

Six Month Study Amounts vs. Actual Water Revenue Collections

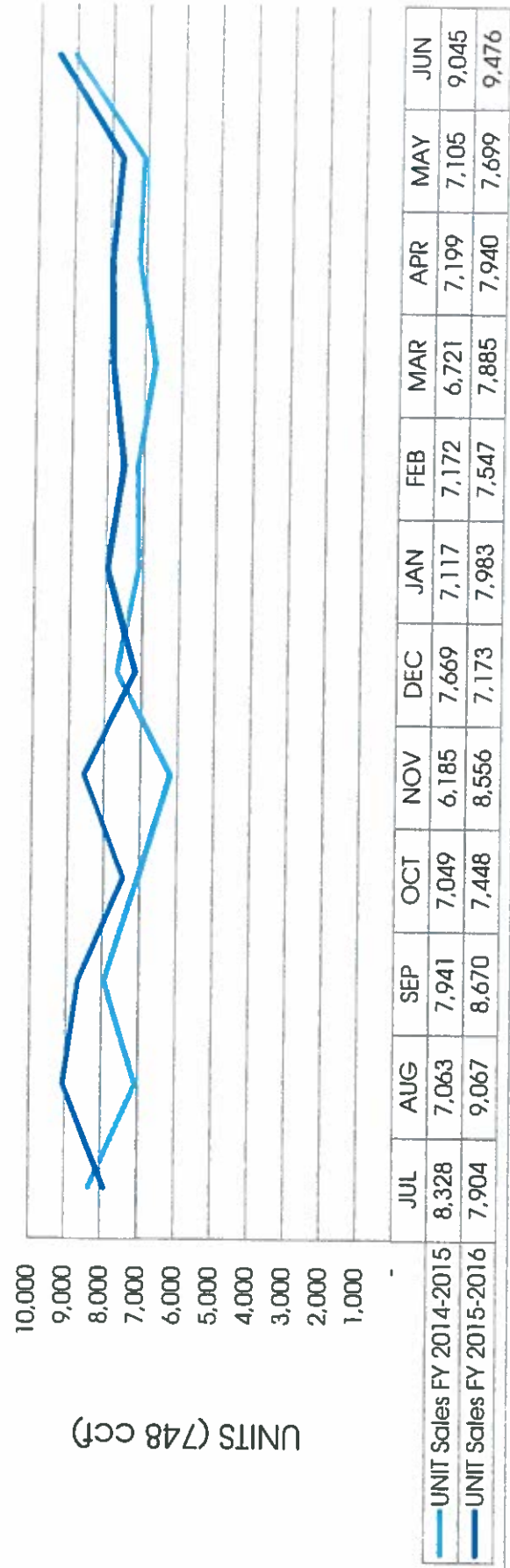
*After Year-End
Transfers



WATER CONSUMPTION

FY 2014/15 88,594 Units

FY 2015/16 97,348 Units



CITY OF RIO DELL CHECK REGISTER

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
4908	7/06/2016	[6038] ACCURATE TERMITE & PEST SOLUTIONS	INITIAL PEST SERVICE FOR RODENTS & EQUIPMENT	380.00
4909	7/06/2016	[3975] AT&T - 5709	PHONE EXPENSES FOR JUNE 2016	461.56
4910	7/06/2016	[6035] JEREMY BRISCO	CUSTOMER DEPOSIT REFUND	300.00
4911	7/06/2016	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 6/24/16	120.00
4912	7/06/2016	[2283] COASTAL BUSINESS SYSTEMS	DOCSTAR ANNUAL SOFTWARE LICENSE AGREEMENT 7/3	484.25
4913	7/06/2016	[2366] EEL RIVER DISPOSAL INC	GARBAGE BAGS FOR JUNE 2016	416.05
4914	7/06/2016	[2551] MIRANDA'S ANIMAL RESCUE	ANIMAL CONTROL FOR JUNE 2016	1,000.00
4915	7/06/2016	[2570] NILSEN COMPANY	126 - 40# BAGS SOLAR ROCK SALT	659.99
4916	7/06/2016	[4393] NYLEX.net. Inc.	MONTHLY MAINTENANCE FOR 7/15/16 - 8/15/16	1,120.00
4917	7/06/2016	[4548] PAPE' MACHINERY EXCHANGE	INSTALL NEW SPARK PLUGS & REPLACE ACCELERATOR	425.52
4918	7/06/2016	[2664] ROGERS MACHINERY INC	INSTALL & REWIRE NEW MOTOR FROM INDUSTRIAL EL	1,005.20
4919	7/06/2016	[2742] SCOTIA TRUE VALUE HARDWARE	MG 4LB AP PLANT FOOD	39.45
4920	7/06/2016	[4525] SHERLOCK RECORDS MGMT	STORAGE SERVICE FOR JUNE 2016	104.28
4921	7/06/2016	[4699] SIERRA CHEMICAL CO	4 TOTES PRCHLR12; BLEACH; CONTAINER DEPOSIT	2,799.24
4922	7/06/2016	[2710] STARPAGE	PAGING SERVICE FOR JULY 2016	12.95
4923	7/06/2016	Fund	PRINCIPAL PAYMENT FOR DISBURSEMENTS THROUGH M	68,000.00
4924	7/06/2016	[2641] THE RADAR SHOP	ON SITE RADAR RE-CERTIFICATIONS & TUNING RE-C	264.00
4925	7/06/2016	[2481] VANTAGEPOINT TRANSFER AGENTS-304361	RETIREMENT FOR PPE 6/24/16	5,080.58
4926	7/06/2016	[2779] WILDWOOD SAW	REPAIRS TO STIHL BR420	202.83
4927	7/13/2016	[0576] 101 AUTO PARTS	TWO IND BELTS FOR MOWER	369.16
4928	7/13/2016	[4109] ACCESS HUMBOLDT	SL FRANCHISE OVERSIGHT ON BEHALF OF LFA's PER	270.00
4929	7/13/2016	[5381] ALTERNATIVE BUSINESS CONCEPTS	MONTHLY MAINTENANCE & COPY CHARGES FOR JUNE 2	763.64
4930	7/13/2016	[5330] CAPITAL ONE COMMERCIAL	SIX CASES COPY PAPER	248.87
4931	7/13/2016	[2293] CITY OF FORTUNA	LAB TESTING FOR APRIL THROUGH JUNE 2016	4,045.00
4932	7/13/2016	[5127] DELTA DENTAL	DENTAL INSURANCE FOR AUGUST 2016	2,054.11

CITY OF RIO DELL CHECK REGISTER

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
4933	7/13/2016	[2340] DEPARTMENT OF JUSTICE ACCOUNTING OFFICE	BLOOD ALCOHOL ANALYSIS FOR JUNE 2016	70.00
4934	7/13/2016	[2385] EUREKA READYMIX	3.86 TONS 3/4 BASE ROCK	40.65
4935	7/13/2016	[5932] HIGH ROCK CONSERVATION CAMP	BRUSH MAINTENANCE ON BLUE SLIDE ROAD	200.00
4936	7/13/2016	[2546] MERCER FRASER CO., INC.	4.67 TONS ASPHALT CONCRETE	448.88
4937	7/13/2016	[4908] MITCHELL BRISSE DELANEY & VRIEZE	LEGAL SERVICES FOR JUNE 2016	7,853.66
4938	7/13/2016	[2569] NORTH COAST LABORATORIES, INC.	AMMONIA NITROGEN W/O DISTILLATION; HEXANE EXT	210.00
4939	7/13/2016	[2603] PG&E	UTILITY EXPENSES FOR JUNE 2016	18,945.30
4940	7/13/2016	[3032] RENDEZVOUS MUSIC & VENDING	COFFEE	63.00
4941	7/13/2016	[4570] SHRED AWARE	SHREDDING	70.00
4942	7/13/2016	[2682] SMALL CITIES ORGANIZED RISK EFFORT (SCORE)	ANNUAL PREMIUM 7/1/16 - 6/30/17 FOR LIABILITY	98,162.25
4943	7/13/2016	[2319] SUDDENLINK COMMUNICATIONS	INTERNET SERVICE 7/10/16 - 8/9/16	134.95
4944	7/13/2016	[6037] WELLS FARGO VENDOR FIN SERV	XEROX COPIER PAYMENT FOR JULY 2016	482.13
4945	7/13/2016	[2772] WENDT CONSTRUCTION, INC	WATER LEAK REPAIRS ON OGLE AVE & BELLEVUE AV	520.00
4946	7/20/2016	[2237] BANK OF AMERICA BUSINESS CARD	LEAGUE OF CALIFORNIA CITIES - 2016 CITY MANAG	3,826.32
4947	7/20/2016	TRANSPORTATION	SIGNALS & LIGHTING BILLING APRIL 2016 THROUGH	222.58
4948	7/20/2016	[2303] COAST CENTRAL CREDIT UNION	POA DUES FOR PPE 7/8/16	120.00
4949	7/20/2016	[3148] COUNTY OF HUMBOLDT	CITY OF RIO DELL OWNERSHIP & MAILING ADDRESS	96.65
4950	7/20/2016	[5231] DARITY, KASHANDRA	CUSTOMER DEPOSIT REFUND	27.83
4952	7/20/2016	[2546] MERCER FRASER CO., INC.	24.25 TONS 3/4" BASE ROCK	314.29
4953	7/20/2016	[5101] NORTH VALLEY LABOR COMPLIANCE SERVICES	PREPARE & SEND ANNUAL LABOR COMPLIANCE REPORT	75.00
4954	7/20/2016	[4338] QUILL CORPORATION	XEROX BLACK PHASER TONER CARTRIDGE; ONE BOX L	166.75
4955	7/20/2016	[2742] SCOTIA TRUE VALUE HARDWARE	TWO 1-1/2 90 DEG SXS ELBOWS; THREE 1-1/2 EXT	106.04
4956	7/20/2016	[2694] SHELL OIL CO.	PW FUEL EXPENSES FOR JUNE 2016	2,103.69
4957	7/20/2016	[3372] SPECIALTY TRAFFIC SYSTEMS	41 - 28" REFLECTION CONES	1,092.39
4958	7/20/2016	[2481] VANTAGEPOINT TRANSFER AGENTS-304361	RETIREMENT FOR PPE 7/8/16	5,080.58

CITY OF RIO DELL CHECK REGISTER

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
4959	7/20/2016	[2772] WENDT CONSTRUCTION, INC	WATER LEAK REPAIRS ON OGLE, BELLEVIEW & VIEW	1,409.19
4960	7/20/2016	[2779] WILDWOOD SAW	FIVE SPRINGS FOR WEEDEATERS	9.02
4961	7/20/2016	[4310] CAMERON D YAPLE	REIMBURSEMENT FOR AFLAC PAYROLL INSURANCE DED	17.82
4962	7/28/2016	[3975] AT&T - 5709	U-VERSE INTERNET SERVICE 6/16/16 - 7/15/16	65.91
4963	7/28/2016	[4603] CALIF. BUILDING STANDARDS COMMISSION	PERMIT ASSESSMENT FEES FOR APRIL THROUGH JUNE	9.00
4964	7/28/2016	[5330] CAPITAL ONE COMMERCIAL	COSTCO - FILE BOXES	21.74
4965	7/28/2016	[2285] CC MARKET (1)	THREE GALLONS BLEACH	7.49
4966	7/28/2016	[3148] COUNTY OF HUMBOLDT	ENVIRONMENTAL STATUTORY WORKSHEET-ABR PROJECT	343.71
4967	7/28/2016	COMPANY	LIFE INSURANCE FOR AUGUST 2016	240.00
4968	7/28/2016	[2342] DEPT OF CONSERVATION DIVISION OF ADMIN.	STRONG MOTION INSTRUMENTATION & SEISMIC HAZAR	22.04
4969	7/28/2016	[5568] DIVISION OF THE STATE ARCHITECT	DISABILITY ACCESS & EDUCATION FEES FOR APRIL	33.00
4970	7/28/2016	[2405] FORTUNA ACE HARDWARE	TWO FILTER 10 MICRON 2 PK	151.41
4971	7/28/2016	[2423] GEORGE'S GLASS, INC	REPLACE RIGHT REAR DOOR GLASS ON 2014 FORD EX	356.18
4972	7/28/2016	[2437] HACH	aa REAGENT SET, CHLORINE FREE CL17	185.05
4973	7/28/2016	[2501] HAJOCA CORPORATION	73 - AYM 4130-760 6133T 1 CTS SS INSERTS	599.06
4974	7/28/2016	[5942] KEENAN & ASSOCIATES	HEALTH INSURANCE FOR AUGUST 2016	14,337.15
4975	7/28/2016	[4338] QUILL CORPORATION	ONE BOX ULTRA FINE POINT MARKERS; THREE 16GB	102.71
4976	7/28/2016	[3032] RENDEZVOUS MUSIC & VENDING	COFFEE	63.00
4977	7/28/2016	[2742] SCOTIA TRUE VALUE HARDWARE	18 OZ PAINT/VARNISH REMOVER; 4 PK GIANT DESTR	29.60
4978	7/28/2016	[2748] UNDERGROUND SERVICE ALERT	2016 ANNUAL MEMBERSHIP	161.20
4979	7/28/2016	[5166] VSP-VISION SERVICE PLAN	VISION INSURANCE FOR AUGUST 2016	312.82
4980	7/28/2016	[4310] CAMERON D YAPLE	REIMBURSEMENT FOR WORK BOOTS	172.79
4981	7/29/2016	[2757] US POSTMASTER	POSTAGE FOR UTILITY BILLING FOR THE MONTH OF	355.65
Total Checks/Deposits				250,065.16

CITY OF RIO DELL CHECK REGISTER

General Checking - US Bank of California

<u>Check</u>	<u>Date</u>	<u>Vendor</u>	<u>Description</u>	<u>Check/Payment</u>
1050925	7/05/2016	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 06/24/2016	10,772.56
540-224	7/05/2016	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 06/24/2016	1,698.46
9424144	7/15/2016	BANK WITHDRAWAL	BANK ANALYSIS FEE FOR JULY 2016	11.20
690065	7/18/2016	ELECTRONIC FUNDS TRANSFER	EFT FOR EFTPS PAYROLL TAXES FOR PPE 07/08/2016	11,179.72
860-928	7/18/2016	ELECTRONIC FUNDS TRANSFER	EFT FOR EDD PAYROLL TAXES FOR PPE 07/08/2016	1,815.12
47814	7/20/2016	ELECTRONIC FUNDS TRANSFER	EFT FOR AFLAC FOR JULY 2016	299.70
Total EFT's/Bank Withdrawals				25,776.76
TRX TO PR	7/12/2016	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCOUNT FOR PPE 07/08/2016	27,258.56
TRX TO PR	7/26/2016	TRANSFER FROM CHECK TO PAYROLL ACCOUNT	TRANSFER TO PAYROLL ACCOUNT FOR PPE 07/22/2016	26,387.55
TRX TO GEN FUND	7/29/2016	TRANSFER FROM CDBG TO CHECK ACCOUNT	YEAREND CDBG TRANSFER FOR FISCAL YEAR 2015/2016	47,055.43
Total Transfer Between Accounts				100,701.54

*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com*



July 21, 2016

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager *3*

SUBJECT: Discussion and Possible Action Implementing Annual Step Increase for City Manager Pursuant to Section 6.B. of Employment Contract

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the implementation of Section 6.B. of the City Manager's Employment Contract.

BACKGROUND AND DISCUSSION

An Employment contract with the City Manager was signed on June 23, 2014. The contract includes two step increases of 3%, occurring annually after the July 21, 2014 date of hire and satisfactory performance. The first step was approved on July 21, 2015.

The item appears on the agenda for purposes of transparency.

///

*Rio Dell City Hall
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riodellcity.com*



August 16, 2016

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager *3*

SUBJECT: Authorize The Mayor To Sign Letter Of Support For AB 723 (Chiu) Related To Community Development Block Grants (CDBG)

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Authorize the Mayor to sign the letter of support.

BACKGROUND AND DISCUSSION

In 2012, the California Department of Housing and Community Development (HCD) prohibited any cities from being awarded funds when the jurisdiction has not spent at least 50 percent of an existing award. AB 723 deletes the requirement that a recipient jurisdiction spend at least 50 percent of previously awarded funds before receiving another reward.

The CDBG funds can potentially be accessed to help spur economic development in Rio Dell. However, HCD's 2012 decision has caused additional delay in accessing these funds in a program that is already difficult for a small City to administer. Rio Dell has approximately \$150,000 in program income funds that need to be spent down in order to access other CDBG programs. This balance will likely be spent on removal of architectural barriers with ADA improvements to the entrances to City Hall and the Police Department. AB 723 would allow the City to continue this work and also begin the process of accessing other CDBG program opportunities without unnecessary delay.

///

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August 16, 2016

The Honorable David Chiu
California State Assembly
State Capitol Building, Room 2196
Sacramento, CA 95814
Via Fax: (916) 319-2117

RE: AB 723 (Chiu) Housing: finance (as amended 8/4/16)
Notice of Support

Dear Assembly Member Chiu:

The City of Rio Dell is pleased to support AB 723 (Chiu), which makes helpful changes to rules governing the allocation of Community Development Block Grant (CDBG) funds. These changes will assist small, "non-entitlement" cities (fewer than 50,000 residents) and counties, which receive federal CDBG dollars via the state Department of Housing and Community Development (HCD) rather than directly from the federal government.

In 2012, HCD prohibited any city or county from being awarded funds when the jurisdiction has not spent at least 50 percent of an existing award. AB 723 deletes the requirement that a recipient jurisdiction spend at least 50 percent of previously awarded funds before receiving another reward. The delivery of many projects slowed when the recession hit and redevelopment was eliminated. The prohibition has effectively stopped many new projects from going forward because funds for an existing project cannot be reallocated to a new project. HCD consequently has approximately \$100 million in unspent CDBG funds that could be allocated to projects if the rule is deleted.

AB 723 additionally expands eligibility requirements for loans awarded by the California Housing and Finance Agency (CalHFA). Existing law allows CalHFA to offer loans on multi-family rental housing projects that provide at least 20 percent of units for lower income households. The law, however, was used infrequently because the units had to be restricted to very low-income households earning less than 50 percent of area median income (AMI). AB 723 would expand the eligibility to housing projects that provide units for households earning up to 80 percent of AMI. This change will make projects that are more economically feasible eligible for the loan program.

For Rio Dell the current situation has led to unnecessary delays that limit our ability to achieve the national objectives set by the CDBG program. One of the only tools available for economic

development and infrastructure development within the City of Rio Dell is through the CDBG program. Passage of AB 723 would allow us to make more timely application for assistance with economic development and could ultimately speed that process by as much as one year.

For these reasons, the City of Rio Dell supports AB 723.

Sincerely,


Frank Wilson
Mayor
City of Rio Dell

cc: Senator Mike McGuire, fax: (916) 651-4902
Assembly Member Jim Wood, fax: (916) 319-2102
Sara Rounds, Regional Public Affairs Manager, League of California Cities,
srounds@cacities.org
Meg Desmond, League of California Cities, mdesmond@cacities.org
Governor Jerry Brown, fax: (916) 558-3160

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(707) 764-5480 (fax)
E-mail: cm@riodellcity.com



**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
August 16, 2016**

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager
FROM: Brooke Woodcox, Finance Director 
DATE: August 16, 2016
SUBJECT: Wastewater rates & discussion on RV parks; possible adoption of Resolution 1306-2016 restating wastewater fees and charges and changing RV parks, including parks with 20% of spaces designated as RV space from the classification of residential to commercial with annual adjustments to EDUs based on the prior winter's water consumption

COUNCIL ACTION

1. Receive staff's report on wastewater rates and wastewater revenues
2. Discussion and Public comment regarding wastewater rates and RV parks
 - *Bartle Wells Associates staff person Alison Lechowicz, Vice President, will be available to answer questions on BWA study and wastewater rates*
3. Options for Council
 - Continue to bill EDUs for RV parks as adopted through Resolution 1222-2014 on May 22, 2014
 - Adopt Resolution 1306-2016 restating wastewater fees and charges and changing RV parks, including parks with 20% of spaces designated as RV space, from the classification of residential to commercial with annual adjustments to EDUs based on the prior winter's water consumption

SUMMARY

The current issue is whether or not RV parks and parks with 20% of spaces designated as RV space (hereafter referred to as Parks) should be billed one (1) EDU per space per current policy since the adoption of the wastewater rates in May 2014. Comparatively, jurisdictions throughout California bill Parks in various ways. Cities commonly charge 0.5 – 1.0 per space, although any reduction is generally found in cities that bill a 100% fixed charge (no volume component). The City of Rio Dell has a fixed (70%) charge, as well as volumetric (30%) charge. Jurisdictions' also have discretion in classifying Parks as residential or commercial. These two classifications have different methods of determining how many EDUs get billed.

The BWA study used the following EDU calculation where the City-wide average of five (5) units equal one (1) EDU for residential customers:

$$\text{EDU} = (\text{Avg. units per winter month's usage}/5) \times (60\% + (40\% \times \text{strength allocation}))$$

Single-family and multi-family customers in the residential category are charged one (1.0) EDU for each sewer connection. Currently, Parks are classified as residential meaning that each space, or sewer connection, is counted as one (1.0) EDU. In addition, residential customers are also charged for consumption which is capped at fifteen (15) units. Parks pay their full volumetric amount because thus far they haven't exceeded the fifteen unit cap per EDU as specified for residential customers.

Commercial customers, on the other hand, are assigned EDUs based on actual consumption and varying strength allocations that are calculated with the EDU calculation provided by BWA. The result is an equitable and sustainable business billing model that in theory is based on the actual costs associated with removal of contaminants from the water that flows to the wastewater treatment plant. In addition, commercial customers' water consumption is not capped unlike that of the City's residential customers whose water consumption, for billing purposes, is capped at fifteen (15) units.

Parks (specifically RV parks and parks with 20% of spaces dedicated to RV) can be reclassified from residential to commercial in order to more equitably account for EDUs. In addition, EDUs for all *commercial customers* can be recalculated annually for establishing an annual base for commercial wastewater charges.

In order to enact new policies for Parks there are a few key points for further discussion:

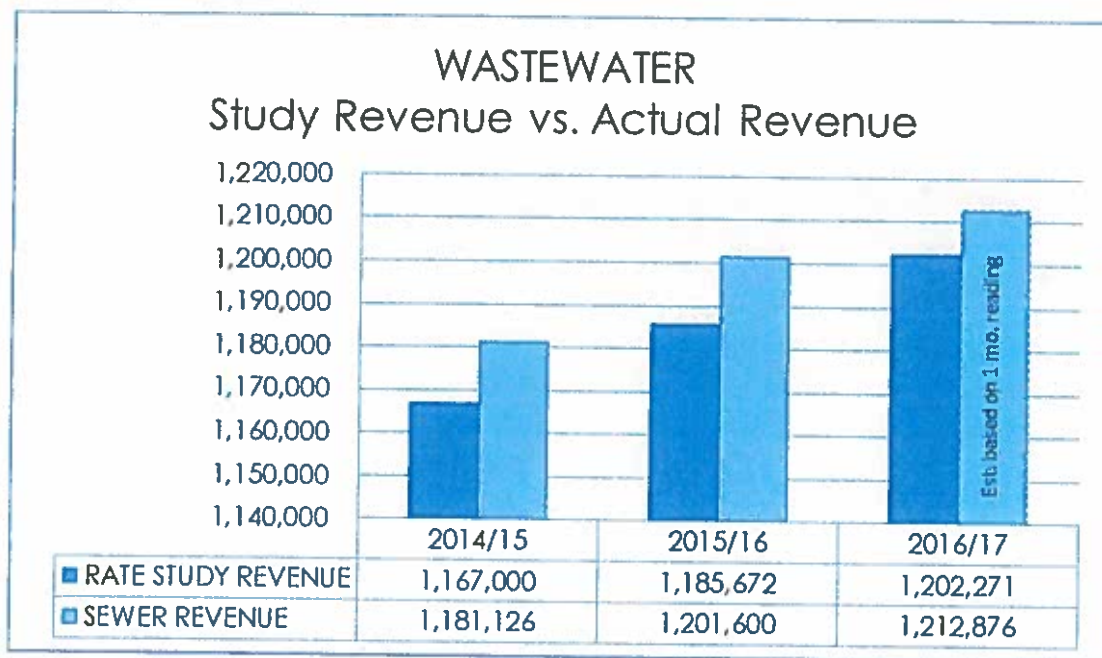
- Adjusting commercial customer bills by recalculating EDUs will mean that some business customer bills will increase while others decrease
- Revenue collected from Parks will be reduced by an estimated \$28,477 in 2016/17 if reclassified; an annual adjustment for ALL commercial customers including RV Parks, and those designated as an RV Park, is estimated at \$26,733
- EDUs for vacant RV park spaces will be inconsequential

In order to determine the best alternative a brief summary of the City's wastewater revenue since the wastewater fee adoption in 2014 is as follows.

WASTEWATER REVENUE

The wastewater study was based on collections of \$1.167 million for its first year (2014/15). Fiscal years 2014/15 and 2015/16 show that revenues exceeded the wastewater rate study amount by \$14,126 and \$15,928 respectively, and an estimated \$10,605 for FY 2016/17.

For comparison purposes the *rate study revenue* amount shown in the chart below has been increased by 1.6% for 2015/16 and 1.4% for 2016/17 to reflect the built in annual consumer price index (CPI) adjustment. This is meant to show the intent of the wastewater rate study which took into account the cost of *future* replacement of infrastructure through CPI adjustments.



Other factors to consider in the reclassification of Parks from residential to commercial:

- The margin between the study amount and actual revenue collection shows a decrease for 2016/17 in comparison to prior years
- The effects of reclassifying RV Parks to commercial show that revenues will fall below the CPI adjusted study amount by an estimated \$16,000

ATTACHMENT

Resolution 1306-2016 Restating Wastewater Rates

RESOLUTION NO. 1307-2016

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RIO DELL RESTATING
WASTEWATER FEES AND CHARGES FOR WASTEWATER CUSTOMERS PURSUANT TO
ORDINANCE NO. 322-2014**

WHEREAS, the City of Rio Dell is authorized by the California Constitution and the California Code to charge fees to cover expenses for the services it provides; and

WHEREAS, the City Council of the City of Rio Dell did adopt Ordinance No. 207 that allows for sewer rates and charges to be modified by resolution of the City Council to provide for future changes; and

WHEREAS, Ordinance No. 207 deemed reasonable and authorizes the Council for the City of Rio Dell to fix charges to pay for expenses to be incurred by the wastewater department. The expenses to be paid include: (a) salaries, office expenses and other necessary disbursements; (b) the operation expenses of the utility; (c) provisions for the appropriate funds for repairs, replacements or betterments "; and

WHEREAS, all wastewater system connections, once purchased, place a demand on the capacity of the treatment and collection system for processing and treat possible effluent whether in service or not; and

WHEREAS, the City Council of the City of Rio Dell has held public meetings pursuant to Proposition 218 to discuss the need for an increase in wastewater rates and charges; and

WHEREAS, the City has entered into a funding agreement for construction of a \$12.6 million Sewer Plant and Effluent Disposal Project with the State Water Resources Control Board; and the City must earmark funds for the repayment of the loan

NOW, THEREFORE BE IT RESOLVED that this Resolution establishes and fixes wastewater service rates and charges for residential, commercial and institutional customers and replaces the wastewater rates and previously set by Ordinance or Resolution. Wastewater rates shall include a fixed minimum charge in addition to volume rates based on winter water consumption. Wastewater rates shall meet the following conditions:

- 1) **Sewer Bills.** Sewer bills are based on consumption but in no case are sewer bills less than the fixed/minimum service charge that is applied to the sewer bill for an equivalent dwelling unit (EDU).
- 2) **Definition of Consumption.** "Consumption" shall mean a three month average of winter water use as measured and recorded at the water meter serving the same parcel or premise receiving sewer service for the months of December, January, and February. The City Manager or his designee is authorized to make adjustments to customer winter water consumption due to any of the following conditions:

Vacancy: If the water consumption readings for the three winter months indicate that the premise being served sewer service was vacant during a portion of the three winter months, the City is authorized to average the water consumption for the period the premise appeared to be occupied.

Irregularity: The City is authorized to eliminate from the calculation water readings which are clearly not representative of average monthly water use when compared to water readings for two of the three months.

New Residential Account: New residential accounts will be billed based on the city-wide residential average of 5ccf until a usage history is established.

New Commercial Account: New commercial accounts at existing locations will be billed based on prior occupant's water consumption unless the new commercial operation is significantly different from the previous commercial operation.

- 3) Definition of Customer Categories/Groups. Residential refers to single-family, multi-family residential properties and mobile home parks; Commercial refers to descriptions other than residential and mobile home parks as shown on Exhibit A.**

FOR ALL R.V. PARKS AND MOBILE HOME PARKS WITH SIGNIFICANT SPACE COMMITTED TO RECREATIONAL VEHICLE PARKING

- A. Minimum monthly base rate effective August 16, 2016 shall be based on commercial customer annual EDU count;
- B. Usage rate by unit (100 cubic feet equals 1 Unit, or 748 gallons) is based on assigned strength allocations of high, medium, low, and domestic

Commercial classification eligibility for R.V. Parks and parks with 20% of spaces designated as RV Space will be based on the following conditions and definitions:

- A. Significant R.V. space is defined as being at least 20% of total spaces in the facility
- B. EDUS for commercial customers are calculated annually with the following calculation
$$\text{EDU} = (\text{Avg. units per winter month's usage}/5) \times (60\% + (40\% \times \text{strength allocation}))$$
- C. Total park water consumption must have average less than 90% of the average residential water consumption to maintain eligibility for this rate
- D. Certification: Mobile home park owners or operators must file a monthly sworn statement certifying that the total number of spaces in the park and the number of spaces dedicated to recreational vehicles for the entire month met the above criteria in order to qualify as a commercial customer for reported RV spaces on the next billing cycle.

- 4) Water Consumption Measurements. Water consumption is measured in units of one hundred cubic feet (ccf). One ccf equals 748 gallons.
- 5) Winter Water Consumption Rate. Each unit of winter water consumption is billed at the volume rate for the customer category/group. Sewer fixed minimum charges and volume rates are presented in the table below:

Sewer Fees and charges per Equivalent Dwelling Unit:

Customer class	Customer Class Description	Minimum Monthly (Fixed) Sewer Service Charge	Volume Rate (per ccf of winter water use)
Low Strength	See Exhibit A	\$47.01 per EDU	\$3.29 per ccf
Domestic Strength	See Exhibit A	\$47.01 per EDU	\$4.11 per ccf
Medium Strength	See Exhibit A	\$47.01 per EDU	\$6.17 per ccf
High Strength	See Exhibit A	\$47.01 per EDU	\$7.19 per ccf

EDU – equivalent dwelling unit
Ccf – hundred cubic feet

- 6) Residential Water Consumption Maximum. Single family residential and multifamily residential customers shall not be billed for monthly winter water consumption in excess of 15 units.
- 7) Customer Categories/Groups. Sewer customers are classified as low strength, domestic strength, medium strength, and high strength based on the content and strength of the discharge as established by industrial standards and California State Water Resources Control Board guidelines and as determined by the City Engineer.
- 8) There shall be a new service connection fee of \$5,220 required for each individual dwelling, residence, building, or separate service to any multiple use consumer on any parcel or parcels under the same ownership. The fee shall be levied in addition to any actual costs by the City to provide the new service and shall be received into the sewer capital fund for the purpose of capital expenditures.

BE IT RESOLVED that the rates stated in this Resolution will be effective August 16, 2016; and

BE IT RESOLVED that rates will be adjusted for inflation each year, based on the Bureau of Labor Statistics, Consumer Price Index for all Urban Consumers, and effective July 1 of each fiscal year. The month of comparison from the index shall be the preceding January; and

BE IT RESOLVED that commercial category EDUs will be adjusted each year based on winter water usage.

BE IT FURTHER RESOLVED that these fees and charges apply to all connections to the City of Rio Dell's wastewater collection and treatment system, once they are purchased from the City, without regard to the actual status of the connection or if the premises are occupied or unoccupied; and

PASSED AND ADOPTED at a regularly scheduled council meeting of the City of Rio Dell held on August 16, 2016 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Frank Wilson, Mayor

ATTEST:

City Clerk

Exhibit A

Strength Classifications into Low, Domestic, Medium, and High Strength Dischargers

Low Strength	<ul style="list-style-type: none"> Banks & Financial Institutions Barber Shops Hair Salon (hair cutting only) Dry Cleaners Laundromats Offices - Business and Professional Offices - Medical/Dental (without surgery) Post Offices Retail Stores Schools without cafeteria Car Wash
Domestic Strength	<ul style="list-style-type: none"> Residential - All Appliance Repair Auto Dealers - without Service Facilities Nail Salons Pet Groomers Bars & Taverns - without dining Camp Ground or RV Park Churches, Halls & Lodges Fire Stations Hotels, Motels, B&Bs, and Vacation Rentals (W/O restaurant) Libraries Rest Homes Shoe Repair Shops Theaters Warehouses Car Washes - Self Service High Tech Medical Manufacturing Light Manufacturing/Industrial Mobile Home Park Gas Station Gym or Health Club Schools with cafeteria Auto Dealers - with Service Facilities Machine Shops Service Stations, Garages, Auto Repair Shops
Medium Strength	<ul style="list-style-type: none"> Restaurants - W/O Dish Washer & Garbage Disposal Coffee Shops - W/O Dish Washer & Garbage Disposal Mini Marts - W/O Dish Washer & Garbage Disposal Mini Mart with Gas Pumps - W/O Dish Washer & Garbage Disposal Catering - W/O Dish Washer & Garbage Disposal Hotel/Motel with Restaurant Beauty Shops (hair cutting w/additional treatments) Hospitals - General, Convalescent & Veterinarian Medical Offices - with Surgery Dental Offices
High Strength	<ul style="list-style-type: none"> Restaurants - with Dish Washer or Garbage Disposal Coffee Shops - with Dish Washer or Garbage Disposal Catering - with Dish Washer or Garbage Disposal Bakeries Butcher Shops Fish Market/Shop Markets - with Dish Washer or Garbage Disposal Markets - with Bakeries or Butcher Shops Mini Marts - with Dish Washer or Garbage Disposal Wineries Cheese Makers Dairy Products (milk producers, yogurt, ice cream maker) Specialty Foods Manufacturing (e.g., olive oil maker) Ice Cream Shop Tasting Rooms Spa with Various Beauty Treatments Funeral Homes/ Mortuary

*Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532
riodellcity.com*



August 16, 2016

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Discussion and Possible Action Related to the Drafting of A Land Use Ordinance
for Cannabis Related Activity

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Provide direction to staff. Possible direction to staff includes but is not limited to:

- 1.) Provide specific direction to staff to draft a Land Use Ordinance.
- 2.) Request additional research.
- 3.) Table the item indefinitely or until the first quarter of 2017.
- 4.) Refer the drafting of a Land Use Ordinance back to the Planning Commission.
- 5.) Set a date for a joint meeting with the Planning Commission.

BACKGROUND AND DISCUSSION


On July 19, 2016 the City Council directed staff to return on August 16, 2016 to receive direction on how the Council would like to proceed with the drafting of a Land Use Ordinance related to cannabis. The Council will need to provide direction and leadership regarding the contents of a Land Use Ordinance, if the Council wishes to adopt one. Should the council wish to hold a joint meeting with the Planning Commission, the Council should set a date and discuss what would be on the agenda for such a meeting.

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E-mail: knoppk@cityofriodell.ca.gov



**CITY OF RIO DELL
STAFF REPORT
CITY COUNCIL AGENDA
AUGUST 16, 2016**

TO: Mayor and Members of the City Council
THROUGH: Kyle Knopp, City Manager
FROM: Graham Hill, Chief of Police 
DATE: August 16, 2016
SUBJECT: Police Vehicles

RECOMMENDED CITY COUNCIL ACTIONS

Adopt Resolution No. 1308-2016 to amend the 2016-2017 operating budget as follows:

Authorize \$7,000.00 in additional funding (to combine with \$40,000.00 previously allocated finds, and \$20,000.00 of potential USDA grant funds) for the purchase of two new police vehicles.

BACKGROUND AND DISCUSSION: During the budget process we presented information to get two police vehicles utilizing a combination of general funds and potential USDA grant funds. \$40,000.00 of city money was authorized and our intent was to use \$40,000.00 of grant funding. (The total estimated costs of vehicles, equipment, and installation of the equipment, was approximately \$80,000.00.) Since the original proposal, the USDA funding that was originally thought to be available has been reduced. The total potential available funding is about \$20,000.00 from USDA, leaving a balance of about \$60,000.00 when combined with city money authorized during the budget process.

While originally it was my intent to purchase the police utility (the SUV), due to the reduction in available funds, I have obtained quotes for the Ford sedan, which are cheaper, and utilize less equipment. I have also met with the installer

and we will reuse the light bars from the two vehicles we intend on taking off line. By purchasing the sedans and recycling some equipment we can reduce costs significantly. While ideally I would like to have the Utility vehicles for police vehicles, ultimately the goal is to replace our old vehicles with new, reliable, safe, police cars.

We can reduce the costs to a total of \$65,531.24 for two new police vehicles versus the previously estimated \$80,000.00. By utilizing current funds that have been allocated for the purchase of vehicles (\$40,000.00) and potential USDA funding (\$20,000.00) we have \$60,000.00 available. I would propose allocating \$7,000.00 additional dollars for the purchase of two police vehicles.

BUDGETARY IMPACT

The impact on the budget will amount to \$7,000.00 (In addition to the \$40,000.00 that has already been allocated in the 2016-2017 budget). I am proposing the use of existing funds from AB 109 that are restricted to the police department that have not been allocated. The use of this additional funding will have no direct impact on the General Fund.

ATTACHMENTS:

1. Vehicle quote
2. Equipment/installation quote



**RESOLUTION NO. 1308-2016
A RESOLUTION OF THE CITY COUNCIL
OF THE CITY OF RIO DELL FOR A TRANSFER OF AB109 FUNDS
AMENDING THE OPERATING BUDGET
FOR THE FISCAL-YEAR 2016-2017**

WHEREAS, the City adopted Resolution 1288-2016 establishing the City's Operating and Capital Budget for the Fiscal-Year 2016/17; and

WHEREAS, the City has approved and adopted its 2016/17 fiscal year Operating and Capital Budget and identified an additional transfer that should be included to update the 2016/17 fiscal-year budget; and

NOW THEREFORE BE IT RESOLVED, that the City of Rio Dell City Council does hereby amend the City of Rio Dell 2016/17 Operating and Capital Budget with the following transactions:

Transfer an additional amount of \$7,000 from the reserves of AB-109 Realignment Grant Fund amending the capital projects budget by said amount.

<u>FUND</u>	<u>AMOUNT</u>
046 Realignment Grant	\$ 7,000

PASSED AND ADOPTED by the City Council of the Rio Dell on this 16th day of August, 2016 by the following vote:

Ayes:
Noes:
Abstain:
Absent:

Frank Wilson, Mayor

ATTEST:

Karen Dunham, City Clerk

Superior Installs

1465 Sandy Prairie Crt #D
Fortuna, CA 95540
(707)496-1919
(707)725-1939 fax

Estimate

Date	Estimate #
8/8/2016	292

Name / Address
Rio Dell Police Department A/P Finance Department, City Hall 675 Wildwood Ave Rio Dell, CA 95562

			Project
Description	Qty	Rate	Total
FPI Console		322.56	322.56T
Adjustable Arm Rest		89.09	89.09T
Cup Holder		39.94	39.94T
Dual Gun Lock		309.12	309.12T
Space Creator HSHV Partition		640.00	640.00T
Lower Extension Panels		80.00	80.00T
Bio Seat with floor pan and seat belt extenders-Sedan		608.00	608.00T
Push Bumper		283.20	283.20T
Siren Control		552.72	552.72T
Siren Speaker		259.28	259.28T
Speaker Bracket		54.94	54.94T
4" Cubby		38.40	38.40T
ION LED Red/Blu	2	172.20	344.40T
VHF antenna		26.50	26.50T
Coax		28.70	28.70T
Miscellaneous Hardware with Power Distribution		250.00	250.00T
Shipping		400.00	400.00
Install above equipment	24	75.00	1,800.00
		Subtotal	\$6,126.85
		Sales Tax (8.0%)	\$314.15
		Total	\$6,441.00

CNGP530

VEHICLE ORDER CONFIRMATION

08/02/16 15:08:41

==>

Dealer: F72413

2016 TAURUS

Page: 1 of 1

Order No: 9900 Priority: J2 Ord FIN: QN178 Order Type: 5B Price Level: 650
Ord Code: 500A Cust/Flt Name: RIO DELL PO Number:

	RETAIL		RETAIL		
P2M	AWD INTERCEPTOR	\$29085	662	TAIL LAMP PKG	\$415
YZ	OXFORD WHITE		663	REAR LIGHT PKG	475
R	CLOTH/VINYL		90T	TAIL LAMP PREP	NC
W	BLACK			SP DLR ACCT ADJ	
500A	EQUIP GRP			SP FLT ACCT CR	
99K	.3.7L TIVCT V6	NC		FUEL CHARGE	
44J	.6-SPD AUTO TRAN	NC	B4A	NET INV FLT OPT	NC
	CA BOARD FEES	NC		PRICED DORA	NC
13C	DARK CAR LAMP	20		DEST AND DELIV	875
	FRT LICENSE BKT	NC		TOTAL BASE AND OPTIONS	32515
20P	NOISE SUP BONDS	95		TOTAL	32515
21B	SPOT LAMP DUAL	605		*THIS IS NOT AN INVOICE*	
422	CALIF EMISSIONS	NC			
51G	GRILL LAMP WIRE	50			
661	FRNT HDLAMP PKG	895			

F1=Help

F2=Return to Order

F3/F12=Veh Ord Menu

F4=Submit

F5=Add to Library

S099 - PRESS F4 TO SUBMIT

fmcdealr@Fleetlaptop

Aug 2, 2016 12:08:52 PM

All-Wheel Drive

QC07755

Your Fleet Order Price: \$ 24,063^{each}
—
plus fees
Doc Fee : 80—
Sales Tax (9%) : \$2,172.87
CA Tire Fee : 8.75
Total : \$ 26,324.62^{each}

Kurt Medeiros - Harper Motors